

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

(Mark One)



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

For the quarterly period ended September 30, 2022

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	PG&E Corporation	California	94-3234914
1-2348	Pacific Gas and Electric Company	California	94-0742640
<hr/>			
PG&E Corporation		Pacific Gas and Electric Company	
77 Beale Street		77 Beale Street	
P.O. Box 770000		P.O. Box 770000	
San Francisco, California 94177		San Francisco, California 94177	

Address of principal executive offices, including zip code

PG&E Corporation	Pacific Gas and Electric Company
415 973-1000	415 973-7000

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, no par value	PCG	The New York Stock Exchange
Equity Units	PCGU	The New York Stock Exchange
First preferred stock, cumulative, par value \$25 per share, 5% series A redeemable	PCG-PE	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 5% redeemable	PCG-PD	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 4.80% redeemable	PCG-PG	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 4.50% redeemable	PCG-PH	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 4.36% series A redeemable	PCG-PI	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 6% nonredeemable	PCG-PA	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 5.50% nonredeemable	PCG-PB	NYSE American LLC
First preferred stock, cumulative, par value \$25 per share, 5% nonredeemable	PCG-PC	NYSE American LLC

Indicate by check mark whether the 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) has been subject to such filing requirements for the past 90 days.

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files).

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth 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	<input type="checkbox"/> Emerging growth 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	<input type="checkbox"/> Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

PG&E Corporation:	<input type="checkbox"/>
Pacific Gas and Electric Company:	<input type="checkbox"/>

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 by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

PG&E Corporation:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Pacific Gas and Electric Company:	<input checked="" type="checkbox"/> Yes	<input 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 October 20, 2022:

PG&E Corporation:	2,465,443,675*
Pacific Gas and Electric Company:	264,374,809

*Includes 342,743,590 shares of common stock held by PG&E ShareCo LLC, a wholly-owned subsidiary of PG&E Corporation, and 135,000,000 shares of common stock held by Pacific Gas and Electric Company.

**PG&E CORPORATION AND
PACIFIC GAS AND ELECTRIC COMPANY
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2022
TABLE OF CONTENTS**

SEC Form 10-Q Reference
Number

[GLOSSARY](#)

[FORWARD-LOOKING STATEMENTS](#)

[MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS](#)

[Part I, Item 2](#)

[OVERVIEW](#)

[RESULTS OF OPERATIONS](#)

[LIQUIDITY AND FINANCIAL RESOURCES](#)

[ENFORCEMENT AND LITIGATION MATTERS](#)

[REGULATORY MATTERS](#)

[LEGISLATIVE AND REGULATORY INITIATIVES](#)

[ENVIRONMENTAL MATTERS](#)

[RISK MANAGEMENT ACTIVITIES](#)

[CRITICAL ACCOUNTING ESTIMATES](#)

[ACCOUNTING STANDARDS ISSUED BUT NOT YET ADOPTED](#)

[CONDENSED CONSOLIDATED FINANCIAL STATEMENTS](#)

[Part I, Item 1](#)

[PG&E CORPORATION](#)

[CONDENSED CONSOLIDATED STATEMENTS OF INCOME](#)

[CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME](#)

[CONDENSED CONSOLIDATED BALANCE SHEETS](#)

[CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS](#)

[CONDENSED CONSOLIDATED STATEMENTS OF EQUITY](#)

[PACIFIC GAS AND ELECTRIC COMPANY](#)

[CONDENSED CONSOLIDATED STATEMENTS OF INCOME](#)

[CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME](#)

[CONDENSED CONSOLIDATED BALANCE SHEETS](#)

[CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS](#)

[CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY](#)

[NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS \(Unaudited\)](#)

[NOTE 1: ORGANIZATION AND BASIS OF PRESENTATION](#)

[NOTE 2: BANKRUPTCY FILING](#)

[NOTE 3: SIGNIFICANT ACCOUNTING POLICIES](#)

[NOTE 4: REGULATORY ASSETS, LIABILITIES, AND BALANCING ACCOUNTS](#)

[NOTE 5: DEBT](#)

[NOTE 6: SB 901 SECURITIZATION AND CUSTOMER CREDIT TRUST](#)

[NOTE 7: EQUITY](#)

[NOTE 8: EARNINGS PER SHARE](#)

[NOTE 9: DERIVATIVES](#)

[NOTE 10: FAIR VALUE MEASUREMENTS](#)

[NOTE 11: WILDFIRE-RELATED CONTINGENCIES](#)

[NOTE 12: OTHER CONTINGENCIES AND COMMITMENTS](#)

[QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK](#)

[Part I, Item 3](#)

[CONTROLS AND PROCEDURES](#)

[Part I, Item 4](#)

[LEGAL PROCEEDINGS](#)

[Part II, Item 1](#)

[RISK FACTORS](#)

[Part II, Item 1A](#)

[UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS](#)
[EXHIBITS](#)
[SIGNATURES](#)

[Part II, Item 2](#)
[Part II, Item 6](#)

GLOSSARY

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

2021 Form 10-K	PG&E Corporation's and the Utility's joint Annual Report on Form 10-K for the year ended December 31, 2021
Form 10-Q	PG&E Corporation's and Utility's joint Quarterly Report on Form 10-Q for the period ended September 30, 2022
AB	Assembly Bill
ALJ	administrative law judge
Amended Articles	Amended and Restated Articles of Incorporation of PG&E Corporation and the Utility, each filed on June 22, 2020, and for PG&E Corporation, as amended by the Certificate of Amendment of Articles of Incorporation, filed on May 24, 2022
APD	alternate proposed decision
ARO	asset retirement obligation
ASU	accounting standard update issued by the FASB
Bankruptcy Code	the United States Bankruptcy Code
Bankruptcy Court	the U.S. Bankruptcy Court for the Northern District of California
CAISO	California Independent System Operator Corporation
Cal Fire	California Department of Forestry and Fire Protection
CAPP	California Arrearage Payment Program
CEMA	Catastrophic Event Memorandum Account
Chapter 11	Chapter 11 of Title 11 of the U.S. Code
Chapter 11 Cases	the voluntary cases commenced by each of PG&E Corporation and the Utility under Chapter 11 on January 29, 2019
Confirmation Order	the order confirming the Plan, dated as of June 20, 2020, with the Bankruptcy Court
Corporation Revolving Credit Agreement	Credit Agreement, dated as of July 1, 2020, as amended, by and among PG&E Corporation, the several banks and other financial institutions or entities party thereto from time to time and JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent
CHT	Customer Harm Threshold
CPPMA	COVID-19 Pandemic Protections Memorandum Account
CPUC	California Public Utilities Commission
CRR	congestion revenue rights
D&O Insurance	directors' and officers' liability insurance
Diablo Canyon	Diablo Canyon nuclear power plant
District Court	United States District Court for the Northern District of California
DOE	Department of Energy
DTSC	Department of Toxic Substances Control
DWR	Department of Water Resources
EMANI	European Mutual Association for Nuclear Insurance
Emergence Date	July 1, 2020, the effective date of the Plan in the Chapter 11 Cases
EOEP	Enhanced Oversight and Enforcement Process
EPSS	Enhanced Powerline Safety Settings
EVM	enhanced vegetation management
Exchange Act	Securities Exchange Act of 1934
FERC	Federal Energy Regulatory Commission
FHPMA	Fire Hazard Prevention Memorandum Account
Fire Victim Trust	The trust established pursuant to the Plan for the benefit of holders of the Fire Victim Claims into which the Aggregate Fire Victim Consideration (as defined in the Plan) has been, and will continue to be funded
FRMMA	Fire Risk Mitigation Memorandum Account
GAAP	U.S. Generally Accepted Accounting Principles

GRC	general rate case
GT&S	gas transmission and storage
HSMA	hazardous substance memorandum account
IRC	Internal Revenue Code
IOUs	investor-owned utility(ies)
Kincade Amended Complaint	The amended criminal complaint filed by the Sonoma County District Attorney's Office on January 28, 2022 in connection with the 2019 Kincade fire
Kincade Complaint	The criminal complaint filed by the Sonoma County District Attorney's Office on April 6, 2021 in connection with the 2019 Kincade fire
Lakeside Building	300 Lakeside Drive, Oakland, California, 94612
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in Part I, Item 2, of this Form 10-Q
MGMA	Microgrids Memorandum Account
MGP	manufactured gas plants
MW	megawatt
NAV	net asset value
NDCTP	Nuclear Decommissioning Cost Triennial Proceeding
NEIL	Nuclear Electric Insurance Limited
NEM	net energy metering
New Shares	Shares of PG&E Corporation common stock held by ShareCo that may be exchanged for Plan Shares as contemplated by the Share Exchange and Tax Matters Agreement
NRC	Nuclear Regulatory Commission
OEIS	Office of Energy Infrastructure Safety (successor to the Wildfire Safety Division of the CPUC)
OII	order instituting investigation
OIR	order instituting rulemaking
Pacific Generation	Pacific Generation, LLC
PD	proposed decision
PERA	Public Employees Retirement Association
Plan	PG&E Corporation and the Utility, Knighthead Capital Management, LLC, and Abrams Capital Management, LP Joint Chapter 11 Plan of Reorganization, dated as of June 19, 2020
Plan Shares	Shares of PG&E Corporation common stock issued to the Fire Victim Trust pursuant to the Plan
PSPS	Public Safety Power Shutoff
RA	Resource Adequacy
Receivables Securitization Program	The accounts receivable securitization program entered into by the Utility on October 5, 2020, providing for the sale of a portion of the Utility's accounts receivable and certain other related rights to the SPV, which, in turn, obtains loans secured by the receivables from financial institutions
ROE	return on equity
ROU asset	right-of-use asset
RTBA	Risk Transfer Balancing Account
RUBA	Residential Uncollectibles Balancing Account
SB	Senate Bill
SEC	U.S. Securities and Exchange Commission
Securities Act	The Securities Act of 1933
SED	Safety and Enforcement Division of the CPUC
SFGO	The Utility's San Francisco General Office headquarters complex
Share Exchange and Tax Matters Agreement	Share Exchange and Tax Matters Agreement dated July 8, 2021 between PG&E Corporation, the Utility, ShareCo and the Fire Victim Trust
ShareCo	PG&E ShareCo LLC, a limited liability company whose sole member is PG&E Corporation
SOFR	Secured Overnight Financing Rate

SPV	PG&E AR Facility, LLC
Tax Act	Tax Cuts and Jobs Act of 2017
TO	transmission owner
USFS	United States Forest Service
Utility	Pacific Gas and Electric Company
Utility Revolving Credit Agreement	Credit Agreement, dated as of July 1, 2020, as amended, by and among the Utility, the several banks and other financial institutions or entities party thereto from time to time and Citibank, N.A., as Administrative Agent and Designated Agent
VIE(s)	variable interest entity(ies)
VMBA	Vegetation Management Balancing Account
VSP	voluntary separation program
WEMA	Wildfire Expense Memorandum Account
Wildfire Fund	statewide fund established by AB 1054 that will be available for eligible electric utility companies to pay eligible claims for liabilities arising from wildfires occurring after July 12, 2019 that are caused by the applicable electric utility company's equipment
WMBA	Wildfire Mitigation Balancing Account
WMCE	Wildfire Mitigation and Catastrophic Events
WMP	wildfire mitigation plan
WMPMA	Wildfire Mitigation Plan Memorandum Account
Zogg Complaint	The criminal complaint filed by the Shasta County District Attorney's Office on September 24, 2021

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that are necessarily subject to various risks and uncertainties. These statements reflect management's judgment and opinions that are based on current estimates, expectations, and projections about future events and assumptions regarding these events and management's knowledge of facts as of the date of this report. These forward-looking statements relate to, among other matters, estimated losses, including penalties and fines associated with various investigations and proceedings; forecasts of capital expenditures; forecasts of expense reduction; estimates and assumptions used in critical accounting estimates, including those relating to insurance receivables, regulatory assets and liabilities, environmental remediation, litigation, third-party claims, the Wildfire Fund, and other liabilities; and the level of future equity or debt issuances. These statements are also identified by words such as "assume," "expect," "intend," "forecast," "plan," "project," "believe," "estimate," "predict," "anticipate," "commit," "goal," "will," "may," "should," "would," "could," "potential" and similar expressions. PG&E Corporation and the Utility are not able to predict all the factors that may affect future results. Some of the factors that could cause future results to differ materially from those expressed or implied by the forward-looking statements, or from historical results, include, but are not limited to:

- the extent to which the Wildfire Fund and revised recoverability standard under AB 1054 effectively mitigate the risk of liability for damages arising from catastrophic wildfires, including whether the Utility maintains an approved WMP and a valid safety certification and whether the Wildfire Fund has sufficient remaining funds;
- the risks and uncertainties associated with wildfires that have occurred or may occur in the Utility's service territory, including the wildfire that began on October 23, 2019 northeast of Geyserville in Sonoma County, California (the "2019 Kincadee fire"), the wildfire that began on September 27, 2020 in the area of Zogg Mine Road and Jenny Bird Lane, north of Igo in Shasta County, California (the "2020 Zogg fire"), the wildfire that began on July 13, 2021 near the Cresta Dam in the Feather River Canyon in Plumas County, California (the "2021 Dixie fire"), the wildfire that began on September 6, 2022 near OxBow Reservoir in Placer County, California (the "2022 Mosquito fire"), and any other wildfires for which the causes have yet to be determined; the damage caused by such wildfires; the extent of the Utility's liability in connection with such wildfires (including the risk that the Utility may be found liable for damages regardless of fault); investigations into such wildfires, including those being conducted by the CPUC; the outcome of the criminal proceeding initiated against the Utility in connection with the 2020 Zogg fire and three other fires in Shasta County, California; potential liabilities in connection with fines or penalties that could be imposed on the Utility if the CPUC or any other enforcement agency were to bring an enforcement action in respect of any such fire; the risk that the Utility is not able to recover costs from insurance, from the Wildfire Fund or through rates; and the effect on PG&E Corporation's and the Utility's reputations of such wildfires, investigations and proceedings;

- the extent to which the Utility's wildfire mitigation initiatives are effective, including the Utility's ability to comply with the targets and metrics set forth in its WMP; to retain or contract for the workforce necessary to execute its WMP; the effectiveness of its system hardening, including undergrounding; and the cost of the program and the timing and outcome of any proceeding to recover such costs through rates;
- the impact of the Utility's implementation of its PSPS program, and whether any fines, penalties or civil liability for damages will be imposed on the Utility as a result; the costs in connection with PSPS events, the timing and outcome of any proceeding to recover such costs through rates, and the effects on PG&E Corporation's and the Utility's reputations caused by implementation of the PSPS program;
- the Utility's ability to safely, reliably, and efficiently construct, maintain, operate, protect, and decommission its facilities, and provide electricity and natural gas services safely and reliably;
- the availability, cost, coverage, and terms of the Utility's insurance, including insurance for wildfire, nuclear, and other liabilities, the timing of any insurance recoveries, and recovery of the costs of such insurance or, in the event liabilities exceed insured amounts, the ability to recover uninsured losses through rates or from other third parties;
- significant changes to the electric power and gas industries driven by technological advancements and a decarbonized economy;
- cyber or physical attacks, including acts of terrorism, war, and vandalism, on the Utility or its third-party vendors, contractors, or customers (or others with whom they have shared data) which could result in operational disruption; the misappropriation or loss of confidential or proprietary assets, information or data, including customer, employee, financial, or operating system information, or intellectual property; corruption of data; or potential costs, lost revenues, litigation, or reputational harm incurred in connection therewith;
- the impact of severe weather events and other natural disasters, including wildfires and other fires, storms, tornadoes, floods, extreme heat events, drought, earthquakes, lightning, tsunamis, rising sea levels, mudslides, pandemics, solar events, electromagnetic events, wind events or other weather-related conditions, climate change, or natural disasters, and other events that can cause unplanned outages, reduce generating output, disrupt the Utility's service to customers, or damage or disrupt the facilities, operations, or information technology and systems owned by the Utility, its customers, or third parties on which the Utility relies, and the effectiveness of the Utility's efforts to prevent, mitigate, or respond to such conditions or events; the reparation and other costs that the Utility may incur in connection with such conditions or events; the impact of the adequacy of the Utility's emergency preparedness; whether the Utility incurs liability to third parties for property damage or personal injury caused by such events; whether the Utility is able to procure replacement power; and whether the Utility is subject to civil, criminal, or regulatory penalties in connection with such events;
- the ability of the Utility to meet the conditions in its corrective action plan and exit the EOEP;
- existing and future regulation and federal, state or local legislation, their implementation, and their interpretation; the cost to comply with such regulation and legislation; and the extent to which the Utility recovers its associated compliance and investment costs, including those regarding:
 - wildfires, including inverse condemnation reform, wildfire insurance, and additional wildfire mitigation measures or other reforms targeted at the Utility or its industry;
 - the environment, including the costs incurred to discharge the Utility's remediation obligations or the costs to comply with standards for greenhouse gas emissions, renewable energy targets, energy efficiency standards, distributed energy resources, and electric vehicles;
 - the nuclear industry, including operations, seismic design, security, safety, relicensing, the storage of spent nuclear fuel, decommissioning, and cooling water intake, and the Utility's ability to continue operating Diablo Canyon until its planned retirement;
 - the regulation of utilities and their holding companies, including the conditions imposed on PG&E Corporation when it became the Utility's holding company;
 - privacy and cybersecurity; and

- taxes and tax audits;
- the timing and outcomes of the Utility’s pending and future ratemaking and regulatory proceedings, including the extent to which PG&E Corporation and the Utility are able to recover their costs through rates as recorded in memorandum accounts or balancing accounts, or as otherwise requested; and including the Utility’s application to transfer its non-nuclear generation assets to Pacific Generation and the potential sale of a minority interest in Pacific Generation;
- 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 continue implementing a streamlined organizational structure and 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;
- the outcome of current and future self-reports, investigations or other enforcement actions, or notices of violation that could be issued related to the Utility’s compliance with laws, rules, regulations, or orders applicable to its gas and electric operations; the construction, expansion, or replacement of its electric and gas facilities; electric grid reliability; audit, inspection and maintenance practices; customer billing and privacy; physical and cybersecurity protections; environmental laws and regulations; or otherwise, such as fines; penalties; remediation obligations; the transfer of ownership of the Utility’s assets to municipalities or other public entities, including as a result of the City and County of San Francisco’s valuation petition; or the implementation of corporate governance, operational or other changes in connection with the EOEP;
- the risks and uncertainties associated with PG&E Corporation’s and the Utility’s substantial indebtedness and the limitations on their operating flexibility in the documents governing that indebtedness;
- the risks and uncertainties associated with the timing and outcomes of PG&E Corporation’s and the Utility’s ongoing litigation, including appeals of the Confirmation Order; certain indemnity obligations to current and former officers and directors, as well as potential indemnity obligations to underwriters for certain of the Utility’s note offerings; three purported class actions that have been consolidated and denominated *In re PG&E Corporation Securities Litigation*, U.S. District Court for the Northern District of California, Case No. 18-03509; the debarment proceeding; the purported PSPS class action filed in December 2019; and other third-party claims, including the extent to which related costs can be recovered through insurance, rates, or from other third parties;
- the ability of PG&E Corporation and the Utility to securitize the remaining \$2.4 billion of fire risk mitigation capital expenditures that were or will be incurred by the Utility;
- the risks and uncertainties associated with any future substantial sales of shares of common stock of PG&E Corporation by existing shareholders, including the Fire Victim Trust;
- whether PG&E Corporation or the Utility undergoes an “ownership change” within the meaning of Section 382 of the IRC, as a result of which tax attributes could be limited;
- PG&E Corporation’s and the Utility’s historical financial information not being indicative of future financial performance as a result of the Chapter 11 Cases and the financial and other restructuring undergone by PG&E Corporation and the Utility in connection with their emergence from Chapter 11;
- the ultimate amount of unrecoverable environmental costs the Utility incurs associated with the Utility’s natural gas compressor station site located near Hinkley, California and the Utility’s fossil fuel-fired generation sites;
- the impact that reductions in Utility customer demand for electricity and natural gas, driven by customer departures to community choice aggregators, direct access providers and legislative mandates to replace gas-fuel technologies, have on the Utility’s ability to make and recover its investments through rates and earn its authorized ROE, and whether the Utility is successful in addressing the impact of growing distributed and renewable generation resources, and changing customer demand for its natural gas and electric services;

- the supply and price of electricity, natural gas, and nuclear fuel; the extent to which the Utility can manage and respond to the volatility of energy commodity prices; the ability of the Utility and its counterparties to post or return collateral in connection with price risk management activities; and whether the Utility is able to recover timely its electric generation and energy commodity costs through rates, including its renewable energy procurement costs;
- 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;
- the risks and uncertainties associated with the Utility's ability to accurately forecast major capital expenditures, weighted average annual rate base, and expense reduction associated with implementation of the Lean operating system;
- the risks and uncertainties associated with rising rates for the Utility's customers;
- actions by credit rating agencies to downgrade PG&E Corporation's or the Utility's credit ratings;
- the severity, extent and duration of the global COVID-19 pandemic and its impact on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows, as well as on energy demand in the Utility's service territory, the ability of the Utility to collect on customer receivables, the ability of the Utility to mitigate these effects, including with spending reductions, the ability of the Utility to recover any losses incurred in connection with the COVID-19 pandemic, and the impact of workforce disruptions caused either by illness of workers and their family members or workforce attrition related to potential new workplace regulations such as vaccine mandates;
- whether PG&E Corporation's and the Utility's counterparties are available and able to meet their financial and performance obligations with respect to contracts, credit agreements, and financial instruments, which could be affected by disruptions in the global supply chain caused by the COVID-19 pandemic or otherwise; and
- the impact of changes in GAAP, standards, rules, or policies, including those related to regulatory accounting, and the impact of changes in their interpretation or application.

For more information about the significant risks that could affect the outcome of the forward-looking statements and PG&E Corporation's and the Utility's future financial condition, results of operations, liquidity, and cash flows, see Item 1A. Risk Factors in this Form 10-Q and the 2021 Form 10-K and a detailed discussion of these matters contained in Item 2. MD&A in the 2021 Form 10-K and this Form 10-Q. PG&E Corporation and the Utility do not undertake any obligation to update forward-looking statements, whether in response to new information, future events, or otherwise.

PG&E Corporation's and the Utility's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and proxy statements, are available free of charge on both PG&E Corporation's website, www.pgecorp.com, and the Utility's website, www.pge.com, as promptly as practicable after they are filed with, or furnished to, the SEC. Additionally, PG&E Corporation and the Utility routinely provide links to the Utility's principal regulatory proceedings before the CPUC and the FERC at <http://investor.pgecorp.com>, under the "Regulatory Filings" tab, so that such filings are available to investors upon filing with the relevant agency. PG&E Corporation and the Utility also routinely post or provide direct links to presentations, documents, and other information that may be of interest to investors, including regarding dividends, at <http://investor.pgecorp.com>, under the "Chapter 11," "Wildfire and Safety Updates," "News & Events: Events & Presentations," and "Shareholders: Dividend Information" tabs, respectively, in order to publicly disseminate such information. Specifically, within two hours during business hours or four hours outside of business hours of the determination that an incident is attributable or allegedly attributable to the Utility's electric facilities and has resulted in property damage estimated to exceed \$50,000, a fatality or injury requiring overnight in-patient hospitalization, or significant public or media attention, the Utility is required to submit an electric incident report including information about such incident. The information included in an electric incident report is limited and may not include important information about the facts and circumstances about the incident due to the limited scope of the reporting requirements and timing of the report and is necessarily limited to information to which the Utility has access at the time of the report. Ignitions are also reportable under CPUC Decision 14-02-015 when they involve self-propagating fire of material other than electrical or communication facilities; the fire traveled greater than one linear meter from the ignition point; and the Utility has knowledge that the fire occurred. It is possible that any of these filings or information included therein could be deemed to be material information. The information contained on such website is not part of this or any other report that PG&E Corporation or the Utility files with, or furnishes to, the SEC. PG&E Corporation and the Utility are providing the address to this website solely for the information of investors and do not intend the address to be an active link.

PART I. FINANCIAL INFORMATION

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

This is a combined quarterly report of PG&E Corporation and the Utility and should be read in conjunction with each company's Condensed Consolidated Financial Statements and the Notes to the Condensed Consolidated Financial Statements included in Item 1. It should also be read in conjunction with the 2021 Form 10-K.

Key Factors Affecting Financial Results

PG&E Corporation and the Utility believe that their financial condition, results of operations, liquidity, and cash flows may be materially affected by the following factors:

- *The Uncertainties in Connection with Any Future Wildfires, Wildfire Insurance, and AB 1054.* While PG&E Corporation and the Utility cannot predict the occurrence, timing or extent of damages in connection with future wildfires, factors such as environmental conditions (including weather and vegetation conditions) and the efficacy of wildfire risk mitigation initiatives and third-party suppression efforts are expected to influence the frequency and severity of future wildfires. To the extent that future wildfires occur in the Utility's service territory, the Utility may incur costs associated with the investigations of the causes and origins of such fires, even if it is subsequently determined that such fires were not caused by the Utility's facilities. The financial impact of future wildfires could be mitigated through insurance, the Wildfire Fund, or other forms of cost recovery. However, the Utility may not be able to obtain sufficient wildfire insurance coverage at a reasonable cost, or at all, and any such coverage may include limitations that could result in substantial uninsured losses depending on the amount and type of damages resulting from covered events, including coverage limitations applicable to different insurance layers. The Utility will not be able to obtain any recovery from the Wildfire Fund for wildfire-related losses in any Wildfire Fund coverage year ("Coverage Year") that do not exceed the greater of \$1.0 billion in the aggregate and the amount of insurance coverage required under AB 1054. In addition, the policy reforms contemplated by AB 1054 are likely to affect the financial impact of future wildfires on PG&E Corporation and the Utility should any such wildfires occur. The Wildfire Fund is available to the Utility to pay eligible claims for liabilities arising from wildfires and serves as an alternative to traditional insurance products, provided that the Utility satisfies the conditions to the Utility's ongoing participation in the Wildfire Fund set forth in AB 1054 and that the Wildfire Fund has sufficient remaining funds. See "Loss Recoveries" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

However, the impact of AB 1054 on PG&E Corporation and the Utility is subject to numerous uncertainties, including the Utility's ability to demonstrate to the CPUC that wildfire-related costs paid from the Wildfire Fund were just and reasonable and therefore not subject to reimbursement, and whether the benefits of participating in the Wildfire Fund ultimately outweigh its substantial costs. Finally, even if the Utility satisfies the ongoing eligibility and other requirements set forth in AB 1054, for eligible claims against the Utility arising from wildfires that occurred between July 12, 2019 and the Utility's emergence from Chapter 11 on July 1, 2020, the availability of the Wildfire Fund to pay such claims would be capped at 40% of the allowed amount of such claims. See "Wildfire Fund under AB 1054" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

- *The Costs, Effectiveness, and Execution of the Utility's Wildfire Mitigation Initiatives.* In response to the wildfire threat facing California, PG&E Corporation and the Utility have taken aggressive steps to mitigate the threat of catastrophic wildfires, the spread of wildfires should they occur, and the impact of PSPS events.

PG&E Corporation and the Utility have incurred substantial expenditures in connection with the 2020-2022 WMP. For more information, see Note 4 of the Notes to the Condensed Consolidated Financial Statements in Item 1. The Utility expects that its wildfire mitigation initiatives will continue to involve substantial and ongoing expenditures. The extent to which the Utility will be able to recover these expenditures and potential other costs through rates is uncertain.

The Utility has implemented operational changes and investments that reduce wildfire risk, including the EPSS, PSPS, vegetation management, asset inspection, and system hardening programs. These programs, particularly the PSPS and EPSS programs, have been the subject of scrutiny and criticism by various stakeholders, including the California governor, the CPUC, and the court that oversaw the Utility's probation. The PSPS and EPSS programs have had an adverse impact on PG&E Corporation's and the Utility's reputation with customers, regulators, and policymakers, and future PSPS and EPSS events may increase these negative perceptions.

The Utility is subject to a number of legal and regulatory requirements related to its wildfire mitigation efforts, which require periodic inspections of electric assets and ongoing reporting related to this work. Although the Utility believes that it has complied substantially with these requirements, it is undertaking a review and has identified instances of noncompliance. The Utility intends to update the CPUC and OEIS as its review progresses. The Utility could face fines, penalties, enforcement action, or other adverse legal or regulatory consequences for the late inspections or other noncompliance related to wildfire mitigation efforts. See "Self-Reports to the CPUC" in "Regulatory Matters" below.

While PG&E Corporation and the Utility are committed to taking aggressive wildfire mitigation actions, if additional requirements are imposed that go beyond current expectations, such requirements could have a substantial impact on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows. The success of the Utility's wildfire mitigation efforts depends on many factors, including on whether the Utility is able to retain or contract for the workforce necessary to execute its wildfire mitigation actions.

- *The Timing and Outcome of Ratemaking and Other Proceedings.* The Utility's financial results may be impacted by the timing and outcome of its FERC TO18 rate case and the resulting impact on the TO19 and TO20 rate cases, 2023 GRC, 2020 and 2021 WMCE, and cost of capital applications and its ability to timely recover costs not currently in rates, including costs already incurred and future costs tracked in its CEMA, WEMA, WMPMA, FRMMA, CPPMA, VMBA, WMBA, and RTBA. The Utility's financial results may be impacted by the timing and outcome of its application to transfer its non-nuclear generation assets to Pacific Generation and the potential sale of a minority interest in Pacific Generation. The outcome of regulatory proceedings can be affected by many factors, including intervening parties' testimonies, potential rate impacts, the regulatory and political environments, and other factors. See Notes 4 and 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1 and "Regulatory Matters" below.
- *The Impact of Wildfires.* PG&E Corporation's and the Utility's liabilities for the 2019 Kincadee fire, the 2020 Zogg fire, the 2021 Dixie fire, and the 2022 Mosquito fire are significant and may be excluded from any potential amounts recoverable under applicable insurance policies, the WEMA, FERC TO rates, or the Wildfire Fund under AB 1054. Recorded liabilities in connection with the 2019 Kincadee fire and the 2021 Dixie fire have already exceeded potential amounts recoverable under applicable insurance policies. Liabilities in excess of recoverable amounts for these wildfires could have a material impact on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

As of September 30, 2022, PG&E Corporation and the Utility had recorded an aggregate liability of \$950 million, \$375 million, \$1.15 billion, and \$100 million for claims in connection with the 2019 Kincadee fire, the 2020 Zogg fire, the 2021 Dixie fire, and the 2022 Mosquito fire, respectively, and in each case before available insurance, and, in the case of the 2021 Dixie fire and the 2022 Mosquito fire, other probable cost recoveries. These liability amounts correspond to the lower end of the range of reasonably estimable probable losses, but do not include all categories of potential damages and losses. Claims related to the 2019 Kincadee fire that were not satisfied in full as of the Emergence Date were not discharged in connection with emerging from Chapter 11.

On September 24, 2021, the Shasta County District Attorney's Office charged the Utility with 11 felonies and 20 misdemeanors in connection with the 2020 Zogg fire and three other fires in Shasta County, California. If the Utility were to be convicted of certain charges in the Zogg Complaint, the Utility could be subject to material fines, penalties, and restitution, as well as non-monetary remedies such as oversight requirements, and accordingly the Utility currently believes that, depending on which charges it were to be convicted of, its total losses associated with the 2020 Zogg fire would materially exceed the \$375 million of aggregate liability that PG&E Corporation and the Utility have recorded.

If the eligible claims for liabilities arising from wildfires were to exceed \$1.0 billion in any Coverage Year, the Utility may be eligible to make a claim against the Wildfire Fund under AB 1054 for such excess amount, except that recoveries for the 2019 Kincadee fire would be subject to the 40% limitation on the allowed amount of claims arising before emergence from bankruptcy, and recoveries for each of these fires would also be subject to the other limitations and requirements under AB 1054. As of September 30, 2022, the Utility has recorded insurance receivables of \$430 million for the 2019 Kincadee fire, \$347 million for the 2020 Zogg fire, \$553 million for the 2021 Dixie fire, and \$40 million for the 2022 Mosquito fire. As of September 30, 2022, the Utility has recorded regulatory recovery and Wildfire Fund receivables of \$473 million and \$150 million, respectively, for the 2021 Dixie fire. As of September 30, 2022, the Utility has recorded regulatory recovery of \$60 million for the 2022 Mosquito fire. The Utility's recorded receivables for regulatory recovery and with respect to the Wildfire Fund take into account the revised prudence standard and the presumption of reasonableness of the Utility's conduct under AB 1054. The revised prudence standard under AB 1054 has not been interpreted or applied by the CPUC and it is possible that the CPUC could interpret the standard or apply it to the relevant facts differently from how the Utility has interpreted and applied the standard, in which case the Utility may not be able to recover all or a portion of expenses that it has recorded as receivable. There can be no assurance that such amounts will ultimately be recovered, and the Utility does not expect that any of its liability insurance would cover restitution payments, if such payments were ordered by the court presiding over the criminal proceeding in connection with the 2020 Zogg fire. See "2019 Kincadee Fire," "2020 Zogg Fire," "2021 Dixie Fire," and "2022 Mosquito Fire" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1 for more information.

- *The Outcome of Other Enforcement, Litigation, and Regulatory Matters, and Other Government Proposals.* The Utility's financial results may continue to be impacted by the outcome of other current and future enforcement, litigation, and regulatory matters, including those described above as well as the outcome of the Safety Culture OII, and potential penalties in connection with the Utility's WMP and safety and other self-reports. See Note 14 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K. In addition, the Utility's business profile and financial results could be impacted by the outcome of recent calls for municipalization of part or all of the Utility's businesses, actions by municipalities and other public entities to acquire the electric assets of the Utility within their respective jurisdictions and calls for state intervention, including the possibility of a state takeover of the Utility. See "Jurisdictions may attempt to acquire the Utility's assets through eminent domain." in Item 1A. Risk Factors for more information. PG&E Corporation and the Utility cannot predict the nature, occurrence, timing or extent of any such scenario, and there can be no assurance that any such scenario would not involve significant ownership or management changes to PG&E Corporation or the Utility, including by the state of California.
- *The Uncertainties in Connection with the Enhanced Oversight and Enforcement Process.* On April 15, 2021, the CPUC placed the Utility in step 1 of the EOEP. As a result, the Utility is subject to additional reporting requirements, monitoring, and oversight by the CPUC. See "Enhanced Oversight and Enforcement Process" in "Enforcement and Litigation Matters" below.
- *The Impact of the COVID-19 Pandemic.* PG&E Corporation's and the Utility's financial condition, results of operations, liquidity and cash flows have been and could continue to be significantly affected by the outbreak of the COVID-19 pandemic. In particular, the Utility continues to experience increased arrearages. The principal areas of near-term impact include liquidity, financial results and business operations, stemming primarily from the ongoing economic hardship of the Utility's customers and the cap on the number of service disconnections for residential customers. The Utility continues to monitor the overall impact of the COVID-19 pandemic. PG&E Corporation and the Utility expect additional financial impacts in the future as a result of the COVID-19 pandemic. Other impacts of the COVID-19 pandemic on PG&E Corporation and the Utility have included operational disruptions, workforce disruptions, both in personnel availability (including a reduction in contract labor resources) and deployment, delays in production and shipping of materials used in the Utility's operations, higher credit spreads and borrowing costs and could potentially also include a reduction in revenue due to the cost of capital adjustment mechanism and incremental financing needs. For more information on the impact of the COVID-19 pandemic on PG&E Corporation and the Utility, see "PG&E Corporation's and the Utility's financial condition, results of operations, liquidity and cash flows have been and could continue to be significantly affected by the outbreak of the COVID-19 pandemic." in Item 1A. Risk Factors in the 2021 Form 10-K and "COVID-19" in Liquidity and Financial Resources below.

For more information about the risks that could materially affect PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows, or that could cause future results to differ from historical results, see Item 1A. Risk Factors in this Form 10-Q and the 2021 Form 10-K. In addition, this quarterly report contains forward-looking statements that are necessarily subject to various risks and uncertainties. These statements reflect management's judgment and opinions that are based on current estimates, expectations, and projections about future events and assumptions regarding these events and management's knowledge of facts as of the date of this report. See "Forward-Looking Statements" above for a list of some of the factors that may cause actual results to differ materially. PG&E Corporation and the Utility are unable to predict all the factors that may affect future results and do not undertake an obligation to update forward-looking statements, whether in response to new information, future events, or otherwise.

Tax Matters

PG&E Corporation had a U.S. federal net operating loss carryforward of approximately \$21.1 billion and California net operating loss carryforward of approximately \$18.9 billion as of December 31, 2021.

Under Section 382 of the IRC, if a corporation (or a consolidated group) undergoes an "ownership change," net operating loss carryforwards and other tax attributes may be subject to certain limitations. In general, an ownership change occurs if the aggregate stock ownership of certain shareholders (generally five percent shareholders, applying certain look-through and aggregation rules) increases by more than 50% over such shareholders' lowest percentage ownership during the testing period (generally three years). PG&E Corporation's and the Utility's Amended Articles limit Transfers (as defined in the Amended Articles) that increase a person's or entity's (including certain groups of persons) ownership of PG&E Corporation's equity securities to 4.75% or more prior to the Restriction Release Date (as defined in the Amended Articles) without approval by the Board of Directors of PG&E Corporation (the "Ownership Restrictions"). As discussed below under "Update on Ownership Restrictions in PG&E Corporation's Amended Articles," due to the election to treat the Fire Victim Trust as a grantor trust for income tax purposes, the calculation of Percentage Stock Ownership (as defined in the Amended Articles) will effectively be based on a reduced number of shares outstanding, namely the total number of outstanding equity securities less the number of equity securities held by the Fire Victim Trust, the Utility and ShareCo. As of the date of this report, it is more likely than not that PG&E Corporation has not undergone an ownership change, and consequently, its net operating loss carryforwards and other tax attributes are not limited by Section 382 of the IRC.

Furthermore, the activities of the Fire Victim Trust are treated as activities of the Utility for tax purposes. Accordingly, PG&E Corporation will recognize income tax benefits and the corresponding deferred tax asset as the Fire Victim Trust sells shares of PG&E Corporation common stock, and the amounts of such benefits and assets will be impacted by the price at which the Fire Victim Trust sells the shares, rather than the price at the time such shares were transferred to the Fire Victim Trust. On January 31, 2022, April 14, 2022, and October 4, 2022, the Fire Victim Trust exchanged 40,000,000, 60,000,000, and 35,000,000 Plan Shares, respectively, for an equal number of New Shares in the manner contemplated by the Share Exchange and Tax Matters Agreement; in each case, the Fire Victim Trust thereafter reported that it sold the applicable New Shares. In the nine months ended September 30, 2022, the Fire Victim Trust's sale of PG&E Corporation common stock in the aggregate amount of 100,000,000 shares resulted in an aggregate tax benefit of \$337 million recorded in PG&E Corporation's and the Utility's Condensed Consolidated Financial Statements.

Update on Ownership Restrictions in PG&E Corporation's Amended Articles

As a result of the grantor trust election, shares of PG&E Corporation common stock owned by the Fire Victim Trust are treated as held by the Utility and, in turn, attributed to PG&E Corporation for income tax purposes. Consequently, any shares of PG&E Corporation common stock owned by the Fire Victim Trust, along with any shares owned by the Utility directly, are effectively excluded from the total number of outstanding equity securities when calculating a person's Percentage Stock Ownership (as defined in the Amended Articles) for purposes of the 4.75% ownership limitation in the Amended Articles. Shares owned by ShareCo are also effectively excluded because ShareCo is a disregarded entity for income tax purposes. For example, although PG&E Corporation had 2,465,443,675 shares outstanding as of October 20, 2022, only 1,644,956,495 shares (the number of outstanding shares of common stock less the number of shares held by the Fire Victim Trust, the Utility and ShareCo) count as outstanding for purposes of the ownership restrictions in the Amended Articles. As such, based on the total number of outstanding equity securities and taking into account the shares of PG&E Corporation common stock known to have been sold by the Fire Victim Trust as of October 20, 2022, a person's effective Percentage Stock Ownership limitation for purposes of the Amended Articles as of October 20, 2022 was 3.16% of outstanding shares. As of October 20, 2022, to the knowledge of PG&E Corporation, the Fire Victim Trust had sold 135,000,000 shares of PG&E Corporation common stock in the aggregate.

RESULTS OF OPERATIONS

The following discussion presents PG&E Corporation's and the Utility's operating results for the three and nine months ended September 30, 2022 and 2021. See "Key Factors Affecting Financial Results" above for further discussion about factors that could affect future results of operations.

PG&E Corporation

The consolidated results of operations consist primarily of results related to the Utility, which are discussed in the "Utility" section below. The following table provides a summary of net income (loss) attributable to common shareholders for the three and nine months ended September 30, 2022 and 2021:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Consolidated Total	\$ 456	\$ (1,091)	\$ 1,287	\$ (574)
PG&E Corporation	(31)	(46)	(323)	(139)
Utility	\$ 487	\$ (1,045)	\$ 1,610	\$ (435)

PG&E Corporation's net loss primarily consists of income taxes, interest expense on long-term debt, and charges related to Wildfire-Related Securities Claims. For more information on Wildfire-Related Securities Claims, see Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Utility

The table below shows certain items from the Utility's Condensed Consolidated Statements of Income for the three and nine months ended September 30, 2022 and 2021. The table separately identifies the revenues and costs that impacted earnings from those that did not impact earnings. In general, expenses the Utility is authorized to pass through directly to customers (such as costs to purchase electricity and natural gas, as well as costs to fund public purpose programs), and the corresponding amount of revenues collected to recover those pass-through costs, do not impact earnings.

Revenues that impact earnings are primarily those that have been authorized by the CPUC and the FERC to recover the Utility's costs to own and operate its assets and to provide the Utility an opportunity to earn its authorized rate of return on rate base. Expenses that impact earnings are primarily those that the Utility incurs to own and operate its assets.

CPUC and FERC rates decouple authorized revenue from the volume of electricity and natural gas sales, so the Utility receives revenue equal to the amounts authorized by the relevant regulatory agencies. As a result, the volume of electricity and natural gas sold does not have a direct impact on PG&E Corporation's and the Utility's financial results.

(in millions)	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Revenues/Costs:			Revenues/Costs:		
	That Impacted Earnings	That Did Not Impact Earnings	Total Utility	That Impacted Earnings	That Did Not Impact Earnings	Total Utility
Electric operating revenues	\$ 2,603	\$ 1,292	\$ 3,895	\$ 2,659	\$ 1,522	\$ 4,181
Natural gas operating revenues	1,137	362	1,499	998	286	1,284
Total operating revenues	3,740	1,654	5,394	3,657	1,808	5,465
Cost of electricity	—	1,032	1,032	—	1,133	1,133
Cost of natural gas	—	257	257	—	176	176
Operating and maintenance	1,771	477	2,248	2,250	543	2,793
Wildfire-related claims, net of recoveries	9	—	9	94	—	94
Wildfire Fund expense	118	—	118	162	—	162
Depreciation, amortization, and decommissioning	1,002	—	1,002	801	—	801
Total operating expenses	2,900	1,766	4,666	3,307	1,852	5,159
Operating income (loss)	840	(112)	728	350	(44)	306
Interest income	42	—	42	—	—	—
Interest expense	(458)	—	(458)	(342)	—	(342)
Other income, net	15	112	127	89	44	133
Income before income taxes	439	—	439	97	—	97
Income tax provision (benefit) ⁽¹⁾			(51)			1,139
Net income (loss)			490			(1,042)
Preferred stock dividend requirement ⁽¹⁾			3			3
Income (Loss) Available for Common Shareholders			\$ 487			\$ (1,045)

⁽¹⁾ These items impacted earnings for the three months ended September 30, 2022 and 2021.

(in millions)	Nine Months Ended September 30, 2022			Nine Months Ended September 30, 2021		
	Revenues/Costs:			Revenues/Costs:		
	That Impacted Earnings	That Did Not Impact Earnings	Total Utility	That Impacted Earnings	That Did Not Impact Earnings	Total Utility
Electric operating revenues	\$ 7,893	\$ 3,850	\$ 11,743	\$ 7,544	\$ 3,983	\$ 11,527
Natural gas operating revenues	2,992	1,575	4,567	2,821	1,048	3,869
Total operating revenues	10,885	5,425	16,310	10,365	5,031	15,396
Cost of electricity	—	2,314	2,314	—	2,570	2,570
Cost of natural gas	—	1,177	1,177	—	670	670
Operating and maintenance	5,293	2,272	7,565	5,782	1,923	7,705
SB 901 securitization charges, net	40	—	40	—	—	—
Wildfire-related claims, net of recoveries	153	—	153	261	—	261
Wildfire Fund expense	353	—	353	399	—	399
Depreciation, amortization, and decommissioning	2,915	—	2,915	2,540	—	2,540
Total operating expenses	8,754	5,763	14,517	8,982	5,163	14,145
Operating income (loss)	2,131	(338)	1,793	1,383	(132)	1,251
Interest income	71	—	71	17	—	17
Interest expense	(1,175)	—	(1,175)	(1,032)	—	(1,032)
Other income, net	77	338	415	258	132	390
Reorganization items, net	—	—	—	(12)	—	(12)
Income before income taxes	1,104	—	1,104	614	—	614
Income tax provision (benefit) ⁽¹⁾			(516)			1,039
Net income (loss)			1,620			(425)
Preferred stock dividend requirement ⁽¹⁾			10			10
Income (Loss) Available for Common Shareholders			\$ 1,610			\$ (435)

⁽¹⁾ These items impacted earnings for the nine months ended September 30, 2022 and 2021.

Utility Revenues and Costs that Impacted Earnings

The following discussion presents the Utility's operating results for the three and nine months ended September 30, 2022 and 2021, focusing on revenues and expenses that impacted earnings for these periods.

Operating Revenues

The Utility's electric and natural gas operating revenues that impacted earnings increased by \$83 million, or 2%, in the three months ended September 30, 2022, compared to the same period in 2021, primarily due to the recognition of approximately \$180 million in revenues related to the final decision approving \$356.3 million in revenue requirements for capital expenditures incurred in the period from 2011 through 2014 for its GT&S system (see "2015 Gas Transmission and Storage Rate Case and 2011-2014 Gas Transmission and Storage Capital Expenditures Audit" in Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1 below), increased base revenues authorized in the 2020 GRC, and additional revenues as authorized through the FERC formula rate. The increases were partially offset by approximately \$80 million of previously deferred revenues recognized in conjunction with interim rate relief associated with the WMCE application (see "2020 WMCE Application" below).

The Utility's electric and natural gas operating revenues that impacted earnings increased by \$520 million, or 5%, in the nine months ended September 30, 2022, compared to the same period in 2021, primarily due to the recognition of approximately \$310 million in revenues related to the settlement agreement for the 2018 CEMA application (see "2018 CEMA Application" below), the recognition of approximately \$180 million in revenues related to the final decision approving \$356.3 million in revenue requirements for capital expenditures incurred in the period from 2011 through 2014 for its GT&S system (see "2015 Gas Transmission and Storage Rate Case and 2011-2014 Gas Transmission and Storage Capital Expenditures Audit" in Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1 below), increased base revenues authorized in the 2020 GRC, and additional revenues as authorized through the FERC formula rate. These increases were partially offset by a decrease of approximately \$80 million of previously deferred revenues recognized in conjunction with interim rate relief associated with the WMCE application (see "2020 WMCE Application" below).

Operating and Maintenance

The Utility's operating and maintenance expenses that impacted earnings decreased by \$479 million, or 21%, in the three months ended September 30, 2022, compared to the same period in 2021, as a result of operating cost efficiencies and decreases in the recognition of previously deferred costs including approximately \$80 million recognized in conjunction with interim rate relief associated with the WMCE application (see "2020 WMCE Application" below) in the three months ended September 30, 2021 with no comparable charge in the same period in 2022. In addition, in the three months ended September 30, 2021, the Utility recorded a \$124 million charge related to the September 21, 2021 joint motion for approval of settlement agreement associated with the 2020 WMCE filing, with no comparable charge in the same period in 2022.

The Utility's operating and maintenance expenses that impacted earnings decreased by \$489 million, or 8%, in the nine months ended September 30, 2022, compared to the same period in 2021, as a result of operating cost efficiencies and decreases in the recognition of previously deferred costs including \$90 million related to residential uncollectibles and \$105 million recognized in conjunction with interim rate relief associated with the WMCE application (see "2020 WMCE Application" below). In addition, during the nine months ended September 30, 2021, the Utility recorded a \$124 million charge related to the September 21, 2021 joint motion for approval of settlement agreement associated with the 2020 WMCE filing, with no comparable charge in the same period in 2022. These decreases were partially offset by the recognition of approximately \$310 million of previously deferred expenses which were authorized by the settlement agreement for the 2018 CEMA application (see "2018 CEMA Application" below) in the nine months ended September 30, 2022, compared to the same period in 2021.

SB 901 Securitization Charges, Net

SB 901 securitization charges, net, that impacted earnings increased by \$40 million, or 100%, in the nine months ended September 30, compared to the same period in 2021. In the second quarter of 2022, as a result of the establishment of the SB 901 securitization regulatory asset and liability, the Utility recorded a \$40 million charge. For more information, see Note 6 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Wildfire-Related Claims, Net of Recoveries

Costs related to wildfires that impacted earnings decreased by \$85 million, or 90% in the three months ended September 30, 2022, compared to the same period in 2021. The Utility recognized pre-tax charges of \$100 million related to the 2022 Mosquito fire in the three months ended September 30, 2022, as compared to pre-tax charges of \$1.15 billion related to the 2021 Dixie fire in the three months ended September 30, 2021. The 2022 Mosquito fire charges were partially offset by \$90 million of probable recoveries through insurance and the WEMA in the three months ended September 30, 2022, as compared to \$1.06 billion of probable recoveries through insurance, the WEMA, and the Wildfire Fund related to the 2021 Dixie fire in the three months ended September 30, 2021. See "Loss Recoveries" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1 below.

Costs related to wildfires that impacted earnings decreased by \$108 million, or 41%, in the nine months ended September 30, 2022, compared to the same period in 2021. The Utility recognized pre-tax charges of \$150 million related to the 2019 Kincadee fire and \$100 million related to the 2022 Mosquito fire in the nine months ended September 30, 2022, as compared to pre-tax charges of \$1.15 billion related to the 2021 Dixie fire, \$175 million related to the 2019 Kincadee fire, and \$100 million related to the 2020 Zogg fire in the nine months ended September 30, 2021. The 2022 Mosquito fire charges were partially offset by \$90 million of probable recoveries through insurance and the WEMA in the nine months ended September 30, 2022, as compared to \$1.06 billion of probable recoveries through insurance, the WEMA, and the Wildfire Fund related to the 2021 Dixie fire and \$108 million of probable insurance recoveries related to the 2020 Zogg fire in the nine months ended September 30, 2021. See "Loss Recoveries" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1 below.

Wildfire Fund Expense

The Utility's Wildfire Fund expense that impacted earnings decreased by \$44 million, or 27%, and \$46 million, or 12%, in the three and nine months ended September 30, 2022, respectively, compared to the same periods in 2021, primarily due to accelerated amortization of the Wildfire Fund asset recorded in 2021 as a result of the Wildfire Fund receivable accrued in relation to the 2021 Dixie fire, with no comparable amounts recorded in 2022.

Depreciation, Amortization, and Decommissioning

The Utility's depreciation, amortization, and decommissioning expenses that impacted earnings increased by \$201 million, or 25%, and \$375 million, or 15%, in the three and nine months ended September 30, 2022, respectively, compared to the same periods in 2021, primarily due to capital additions and an increase in decommissioning expense beginning in January 2022 as a result of the final 2018 NDCTP decision.

Interest Income

Interest income that impacted earnings increased by \$42 million, or 100%, and increased by \$54 million, or 318%, in the three and nine months ended September 30, 2022, respectively, compared to the same periods in 2021, primarily due to higher interest rates earned on regulatory balancing accounts.

Interest Expense

Interest expense that impacted earnings increased by \$116 million, or 34%, and increased by \$143 million, or 14%, in the three and nine months ended September 30, 2022, respectively, compared to the same periods in 2021, primarily due to the issuance of additional long-term debt and an increase in interest rates on variable-rate debt.

Other Income, Net

Changes to Other income, net that impact earnings are primarily driven by fluctuations in the balance of construction work in progress that impact the equity component of allowance for funds used during construction, and gains and losses on equity securities held by the customer credit trust.

Reorganization Items, Net

There was no material change to reorganization items, net that impacted earnings for the periods presented.

Income Tax Provision (Benefit)

Income tax benefit increased by \$1,190 million and \$1,555 million, in the three and nine months ended September 30, 2022, respectively, compared to the same periods in 2021, primarily due to a write-off of a deferred tax asset associated with the grantor trust election for the Fire Victim Trust in the three and nine months ended September 30, 2021 with no comparable amount in 2022. Additionally, income tax provision increased due to a benefit recognized related to the sale of shares in the Fire Victim Trust in the nine months ended September 30, 2022 with no comparable benefits in the same period in 2021. The income tax provision also increased due to a higher pre-tax income in the three and nine months ended September 30, 2022, compared to the same periods in 2021.

The following table reconciles the income tax expense at the federal statutory rate to the income tax provision:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Federal statutory income tax rate	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) in income tax rate resulting from:				
State income tax (net of federal benefit) ⁽¹⁾	(4.8) %	303.4 %	(10.9) %	45.3 %
Effect of regulatory treatment of fixed asset differences ⁽²⁾	(34.6) %	(156.8) %	(32.4) %	(57.4) %
Tax credits	(0.8) %	(3.3) %	(0.9) %	(1.5) %
Fire Victim Trust ⁽³⁾	— %	994.5 %	(22.9) %	155.4 %
Other, net	7.6 %	29.6 %	(0.7) %	6.6 %
Effective tax rate	(11.6)%	1,188.4 %	(46.8)%	169.4 %

⁽¹⁾ Includes the effect of state flow-through ratemaking treatment.

⁽²⁾ Includes the effect of federal flow-through ratemaking treatment for certain property-related costs. For these temporary tax differences, the Utility recognizes the deferred tax impact in the current period and records offsetting regulatory assets and liabilities. Therefore, the Utility's effective tax rate is impacted as these differences arise and reverse. The Utility recognizes such differences as regulatory assets or liabilities as it is probable that these amounts will be recovered from or returned to customers in future rates. These amounts also reflect the impact of the amortization of excess deferred tax benefits to be refunded to customers as a result of the Tax Act.

⁽³⁾ Includes the effect of the grantor trust election for the Fire Victim Trust in the three and nine months ended September 30, 2021. Includes the effect of the grantor trust election for the Fire Victim Trust and the tax benefit for the sale of shares by the Fire Victim Trust in the nine months ended September 30, 2022. See "Tax Matters" above and Note 7 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Utility Revenues and Costs that Did Not Impact Earnings

Fluctuations in revenues that did not impact earnings are primarily driven by procurement costs. See below for more information.

Cost of Electricity

The Utility's cost of electricity includes the cost of power purchased from third parties (including renewable energy resources), fuel and associated transmission costs used in its own generation facilities, fuel and associated transmission costs supplied to other facilities under power purchase agreements, costs to comply with California's cap-and-trade program, and realized gains and losses on price risk management activities. Cost of electricity also includes net sales (Utility owned generation and third parties) in the CAISO electricity markets. See Note 9 of the Notes to the Condensed Consolidated Financial Statements in Item 1. The Utility's total purchased power is driven by customer demand, net CAISO electricity market activities (purchases or sales), the availability of the Utility's own generation facilities (including Diablo Canyon and its hydroelectric plants), and the cost effectiveness of each source of electricity.

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cost of purchased power, net	\$ 879	\$ 1,017	\$ 2,016	\$ 2,344
Fuel used in generation facilities	153	116	298	226
Total cost of electricity	\$ 1,032	\$ 1,133	\$ 2,314	\$ 2,570

Cost of Natural Gas

The Utility's cost of natural gas includes the costs of procurement, storage and transportation of natural gas, costs to comply with California's cap-and-trade program, and realized gains and losses on price risk management activities. See Note 9 of the Notes to the Condensed Consolidated Financial Statements in Item 1. The Utility's cost of natural gas is impacted by the market price of natural gas, changes in the cost of storage and transportation, and changes in customer demand.

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cost of natural gas sold	\$ 224	\$ 144	\$ 1,070	\$ 567
Transportation cost of natural gas sold	33	32	107	103
Total cost of natural gas	\$ 257	\$ 176	\$ 1,177	\$ 670

Operating and Maintenance Expenses

The Utility's operating expenses that did not impact earnings include certain costs that the Utility is authorized to recover as incurred. If the Utility were to spend more than authorized amounts, these expenses could have an impact to earnings.

Other Income, Net

The Utility's other income, net that did not impact earnings includes pension and other post-retirement benefit costs that fluctuate primarily from market and interest rate changes.

Nuclear Operations

Capacity factors, which are significantly affected by the number and duration of refueling and non-refueling outages, reflect the availability of Diablo Canyon's generation to the California electricity market. Management analyzes capacity factors by comparing Diablo Canyon's actual generation to forecasted annual capacity factors, which reflect planned refueling outages, curtailments for condenser cleaning, allowances for minor curtailments resulting from equipment issues, and curtailments for major ocean storms. Capacity factors do not currently impact PG&E Corporation's and the Utility's results of operations, except to the extent requested cost recovery is denied because the costs are found to be imprudently incurred.

Apart from cost-of-service ratemaking and beginning on September 2, 2022, the Utility is entitled to receive a monthly performance-based disbursement. (See "Senate Bill 846" below.)

The Utility manages its scheduled refueling outages with the objective of minimizing their duration and maintaining high nuclear generating capacity factors, resulting in a stable generation base for the Utility's wholesale and retail power marketing activities. During scheduled refueling outages, the Utility performs maintenance and equipment upgrades in order to minimize the occurrence of unplanned outages and to maintain safe, reliable operations. For the year ended December 31, 2021, and the nine months ended September 30, 2022, Diablo Canyon achieved an average capacity factor of 84% and 94%, respectively. As previously disclosed, Diablo Canyon Unit 2 experienced five outages between July 2020 and April 2021, each due or related to malfunctions within the main generator associated with excessive vibration.

In addition to the maintenance and equipment upgrades performed by the Utility during scheduled refueling outages, the Utility has extensive operating and security procedures in place to ensure the safe operation of Diablo Canyon. The Utility also has extensive safety systems in place designed to protect the plant, personnel, and surrounding area in the unlikely event of an accident or other incident.

LIQUIDITY AND FINANCIAL RESOURCES

Overview

The Utility's ability to fund operations, finance capital expenditures, make scheduled principal and interest payments, and make distributions to PG&E Corporation depends on the levels of its operating cash flows and access to the capital and credit markets. The CPUC authorizes the Utility's capital structure, the aggregate amount of long-term and short-term debt that the Utility may issue, and the revenue requirements the Utility is able to collect to recover its cost of capital. The Utility generally utilizes retained earnings, equity contributions from PG&E Corporation and long-term debt issuances to maintain its CPUC-authorized long-term capital structure consisting of 52% equity and 48% debt and preferred stock and relies on short-term debt, including its revolving credit facilities, to fund temporary financing needs. On May 28, 2020, the CPUC approved a final decision in the Chapter 11 Proceedings OII, which, among other things, grants the Utility a temporary, five-year waiver from compliance with its authorized capital structure for the financing in place upon the Utility's emergence from Chapter 11.

PG&E Corporation's ability to fund operations, make scheduled principal and interest payments, and fund equity contributions to the Utility depends on the level of cash on hand, cash received from the Utility, and PG&E Corporation's access to the capital and credit markets.

PG&E Corporation's and the Utility's credit ratings may be affected by the ultimate outcome of pending enforcement and litigation matters. Credit rating downgrades may impact the cost and availability of short-term borrowings, including credit facilities, and long-term debt costs. In addition, some of the Utility's commodity contracts contain collateral posting provisions tied to the Utility's credit rating from each of the major credit rating agencies. The collateral posting provisions for some of the Utility's power and natural gas commodity, and transportation and service agreements state that if the Utility's credit ratings were to fall below investment grade, the Utility would be required to post additional cash immediately to fully collateralize some or all of its net liability positions.

PG&E Corporation and the Utility have various contractual commitments which impact cash requirements. These commitments are discussed in "Purchase Commitments" in Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

COVID-19

PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows have been and could continue to be significantly affected by the outbreak of the COVID-19 pandemic. The outbreak of the COVID-19 pandemic, the emergence of variant strains of the virus (including Delta and Omicron), and the resulting economic conditions and government orders have had and will continue to have a significant adverse impact on the Utility's customers and, as a result, these circumstances have impacted and will continue to impact the Utility for an indeterminate period of time. In particular, the Utility continues to experience increased arrearages. The principal areas of near-term impact include liquidity, financial results and business operations, stemming primarily from the ongoing economic hardship of the Utility's customers, the cap on the number of service disconnections for residential customers, and the CPUC's "Emergency Authorization and Order Directing Utilities to Implement Emergency Customer COVID-19 Protections." The Utility has resumed non-residential service and residential service disconnections as of October 13, 2022. The CPUC has set an annual cap on the number of residential disconnections. The Utility's accounts receivable balances over 30 days outstanding as of September 30, 2022, were approximately \$1.1 billion, or \$869 million higher as compared to the balance as of December 31, 2019. The Utility is unable to estimate the portion of the increase directly attributable to the COVID-19 pandemic.

As of September 30, 2022, PG&E Corporation and the Utility had access to approximately \$2.6 billion of total liquidity comprised of approximately \$107 million of Utility cash, \$155 million of PG&E Corporation cash and \$2.3 billion of availability under PG&E Corporation's and the Utility's revolving credit facilities. The 2022 cost of capital application was filed off-cycle based on the extraordinary event of the COVID-19 pandemic and related government response. See "Cost of Capital Proceedings" below for more information.

The Utility established the CPPMA memorandum accounts for tracking costs related to the CPUC's emergency authorization and order for the period the CPPMA was in effect. As of September 30, 2022, the CPPMA totaled \$32 million and is reflected in Long-term regulatory assets on the Condensed Consolidated Balance Sheets. In addition to the \$32 million recorded to the CPPMA, the Utility recorded approximately \$109 million of undercollections from residential customers from March 4, 2020 to September 30, 2022 to the RUBA, which has been approved by the CPUC and is reflected in Regulatory balancing accounts receivable on the Condensed Consolidated Balance Sheets.

On June 30, 2022, the Governor of California signed AB 205, which included authorization for additional incremental CAPP funding of \$958 million for California IOUs to be determined by the California Department of Community Services and Development. The Utility and the community choice aggregators in its territory expect to receive \$219 million to reduce the amounts owed by customer accounts in arrears.

The COVID-19 pandemic may continue to impact PG&E Corporation and the Utility financially, and PG&E Corporation and the Utility will continue to monitor the overall impact of the COVID-19 pandemic.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short-term, highly liquid investments with original maturities of three months or less. PG&E Corporation and the Utility maintain separate bank accounts and primarily invest their cash in money market funds.

Financial Resources

Equity Financings

On April 30, 2021, PG&E Corporation entered into an Equity Distribution Agreement with the Agents, the Forward Sellers and the Forward Purchasers (each as defined in “At the Market Equity Distribution Program” in Note 7 of the Notes to the Condensed Consolidated Financial Statements in Item 1.), establishing an at the market equity distribution program, pursuant to which PG&E Corporation, through the Agents, may offer and sell from time to time shares of PG&E Corporation’s common stock having an aggregate gross sales price of up to \$400 million. The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares of common stock by PG&E Corporation to or through the Agents, PG&E Corporation may enter into Forward Sale Agreements (as defined in “At the Market Equity Distribution Program” in Note 7 of the Notes to the Condensed Consolidated Financial Statements in Item 1) with the Forward Purchasers.

As of September 30, 2022, there was \$400 million available under PG&E Corporation’s At the Market Equity Distribution Program for future offerings. During the nine months ended September 30, 2022, PG&E Corporation did not sell any shares pursuant to the Equity Distribution Agreement or any Forward Sale Agreement.

PG&E Corporation plans to meet its capital requirements for 2022 and 2023 through internally-generated funds and the issuance of long-term debt, short-term debt, and the potential sale of a minority interest in Pacific Generation. (See “Application with Pacific Generation LLC for Approval to Transfer Non-Nuclear Generation Assets.”) PG&E Corporation does not plan to issue any equity securities in 2022, 2023, or 2024. Factors that could affect PG&E Corporation’s planned equity issuances include liquidity and cash flow needs, capital expenditures, interest rates, the timing and outcome of ratemaking proceedings, and the timing and terms of other financings, including the potential sale of a minority interest in Pacific Generation.

Debt Financings

On February 18, 2022, the Utility completed the sale of (i) \$1 billion aggregate principal amount of 3.25% First Mortgage Bonds due 2024, (ii) \$400 million aggregate principal amount of 4.20% First Mortgage Bonds due 2029, (iii) \$450 million aggregate principal amount of 4.40% First Mortgage Bonds due 2032 and (iv) \$550 million aggregate principal amount of 5.25% First Mortgage Bonds due 2052. The proceeds were used for the prepayment of a portion of the 18-month tranche loans pursuant to an existing term loan credit agreement (the “2020 Utility Term Loan Credit Agreement”), in an amount equal to \$1.0 billion, and for general corporate purposes.

On June 8, 2022, the Utility issued \$450 million aggregate principal amount of 4.950% First Mortgage Bonds due June 8, 2025, \$450 million aggregate principal amount of 5.450% First Mortgage Bonds due June 15, 2027, and \$600 million aggregate principal amount of 5.90% First Mortgage Bonds due June 15, 2032. The proceeds were used for the repayment of all of the borrowings outstanding under the Utility’s revolving credit facility pursuant to the Utility Revolving Credit Agreement.

As previously disclosed, on August 11, 2021, PG&E Corporation borrowed \$145 million from the Utility under an interest bearing 364-day intercompany note due August 10, 2022. On June 17, 2022, this loan was repaid in full.

SB 901 Securitization

On May 10, 2022, PG&E Wildfire Recovery Funding LLC, a bankruptcy remote, limited liability company wholly owned by the Utility, issued \$3.6 billion aggregate principal amount of senior secured recovery bonds (the “Series 2022-A Recovery Bonds”). The Series 2022-A Recovery Bonds were issued in five tranches:

Tranche	Amount	Interest Rate	Due Date
A-1	\$ 540,000,000	3.594 %	June 1, 2032
A-2	\$ 540,000,000	4.263 %	June 1, 2038
A-3	\$ 360,000,000	4.377 %	June 3, 2041
A-4	\$ 1,260,000,000	4.451 %	December 1, 2049
A-5	\$ 900,000,000	4.674 %	December 1, 2053

The net proceeds were used to fund the redemption of all \$500 million aggregate principal amount of the Utility’s Floating Rate First Mortgage Bonds due June 16, 2022 on May 16, 2022 and the redemption of all \$2.5 billion aggregate principal amount of the Utility’s 1.75% First Mortgage Bonds due June 16, 2022 on May 16, 2022. The Utility used the remaining proceeds from the issuance of the Series 2022-A Recovery Bonds for the repayment of a portion of loans outstanding under the Utility’s revolving credit facility pursuant to the Utility Revolving Credit Agreement.

On July 20, 2022, PG&E Wildfire Recovery Funding LLC issued \$3.9 billion aggregate principal amount of senior secured recovery bonds (the “Series 2022-B Recovery Bonds”). The Series 2022-B Recovery Bonds were issued in five tranches:

Tranche	Amount	Interest Rate	Due Date
B-1	\$ 613,080,000	4.022 %	June 1, 2033
B-2	\$ 600,000,000	4.722 %	June 1, 2039
B-3	\$ 500,040,000	5.081 %	June 3, 2043
B-4	\$ 1,149,960,000	5.212 %	December 1, 2049
B-5	\$ 1,036,920,000	5.099 %	June 1, 2054

The net proceeds were used to fund (1) the redemption of all \$1.5 billion aggregate principal amount of the Utility’s 1.367% First Mortgage Bonds due March 10, 2023 on July 25, 2022, (2) the prepayment of all \$500 million of loans outstanding under the 2022A Utility Term Loan Credit Agreement as defined below, and (3) the repayment of a portion of loans outstanding under the Utility’s revolving credit facility pursuant to the Utility Revolving Credit Agreement. The Utility also intends to use a portion of the remaining proceeds to fund the redemption of all \$1 billion aggregate principal amount of the Utility’s 3.25% First Mortgage Bonds due 2024.

Credit Facilities

As of September 30, 2022, PG&E Corporation and the Utility had \$500 million and \$1.8 billion available under their respective \$500 million and \$4.0 billion revolving credit facilities. The Utility also has access to the Receivables Securitization Program, under which the Utility may borrow the lesser of the facility limit and the facility availability. The facility limit fluctuates between \$1.0 billion and \$1.5 billion depending on the periods set forth in the amendment. Further, the facility availability may vary based on the amount of accounts receivable that the Utility owns that are eligible for sale to the SPV and the portion of those accounts receivable that are sold to the SPV that are eligible for advances by the lenders under the Receivables Securitization Program from time to time.

PG&E Corporation

As previously disclosed, on July 1, 2020, PG&E Corporation entered into the Corporation Revolving Credit Agreement, which it subsequently amended.

On October 4, 2022, PG&E Corporation further amended the Corporation Revolving Credit Agreement to, among other things, extend the maturity date of such agreement to June 22, 2025 (subject to a one-year extension at the option of PG&E Corporation).

Utility

On March 31, 2022, the Utility prepaid in full the remaining portion of the 18-month tranche loans pursuant to the 2020 Utility Term Loan Credit Agreement, in a principal amount equal to \$298 million. As a result of such prepayment, the 2020 Utility Term Loan Credit Agreement was terminated and is no longer outstanding.

On April 4, 2022, the Utility entered into a term loan credit agreement (the “2022A Utility Term Loan Credit Agreement”), comprised of 364-day tranche loans in the aggregate principal amount of \$500 million (the “364-Day 2022A Tranche Loans”). The 364-Day 2022A Tranche Loans have a maturity date of April 3, 2023 and bear interest based on the Utility’s election of either (1) Term SOFR (plus a 0.10% credit spread adjustment) plus an applicable margin of 1.25%, or (2) the base rate plus an applicable margin of 0.25%. The Utility borrowed the entire amount of the 364-Day 2022A Tranche Loans on April 4, 2022. On July 21, 2022, the 364-Day 2022A Tranche Loans were prepaid in full with a portion of the proceeds from issuance of the Series 2022-B Recovery Bonds. As a result of such prepayment, the 2022A Utility Term Loan Credit Agreement was terminated and is no longer outstanding.

On April 20, 2022, the Utility entered into a term loan credit agreement (the “2022B Utility Term Loan Credit Agreement”), comprised of 364-day tranche loans in the aggregate principal amount of \$125 million (the “364-Day 2022B Tranche Loans”) and two-year tranche loans in the aggregate principal amount of \$400 million (the “2-Year 2022B Tranche Loans”). The 364-Day 2022B Tranche Loans have a maturity date of April 19, 2023 and the 2-Year 2022B Tranche Loans have a maturity date of April 19, 2024. The 364-Day 2022B Tranche Loans and the 2-Year 2022B Tranche Loans bear interest based on the Utility’s election of either (1) Term SOFR (plus a 0.10% credit spread adjustment) plus an applicable margin of 1.25%, or (2) the base rate plus an applicable margin of 0.25%. The Utility borrowed the entire amount of the 364-Day 2022B Tranche Loans and the 2-Year 2022B Tranche Loans on April 20, 2022.

On April 20, 2022, the Utility entered into an amendment to the Receivables Securitization Program to, among other things, add an uncommitted incremental facility which, subject to certain conditions precedent, allows the SPV to request an increase in the facility limit by an additional \$500 million to an aggregate amount of \$1.5 billion. On August 12, 2022, the SPV requested such an increase to the facility limit, and the facility limit was subsequently increased to \$1.5 billion on August 22, 2022. On September 30, 2022, the Utility entered into an amendment to the Receivables Securitization Program to, among other things, extend the scheduled termination date to September 30, 2024 and implement a seasonal facility limit. After giving effect to the amendment, the facility limit fluctuates between \$1.0 billion and \$1.5 billion based on the periods set forth in the amendment.

As previously disclosed, on July 1, 2020, the Utility entered into the Utility Revolving Credit Agreement, which it subsequently amended.

On October 4, 2022, the Utility further amended the Utility Revolving Credit Agreement to, among other things, (i) increase the aggregate commitments provided by the lenders to \$4.4 billion and (ii) extend the maturity date of such agreement to June 22, 2027 (subject to a one-year extension at the option of the Utility).

For more information, see “Credit Facilities” in Note 5 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Dividends

On December 20, 2017, the Boards of Directors of PG&E Corporation and the Utility suspended quarterly cash dividends on both PG&E Corporation’s and the Utility’s common stock, beginning the fourth quarter of 2017, as well as the Utility’s preferred stock, beginning the three-month period ending January 31, 2018.

On February 8, 2022, the Board of Directors of the Utility authorized the payment of all cumulative and unpaid dividends on the Utility’s preferred stock as of January 31, 2022 totaling \$59.1 million, which was paid on May 13, 2022, to holders of record on April 29, 2022 and declared a dividend on the Utility’s preferred stock totaling \$3.5 million, which was paid on May 15, 2022, to holders of record on April 29, 2022. On September 15, 2022, the Board of Directors of the Utility declared dividends on its outstanding series of preferred stock, payable on November 15, 2022, to holders of record on October 31, 2022.

On June 15, 2022, the Board of Directors of the Utility also reinstated the dividend on the Utility’s common stock and declared a common stock dividend of \$425 million that was paid to PG&E Corporation on June 17, 2022. On September 15, 2022, the Board of Directors of the Utility declared a common stock dividend of \$425 million that was paid to PG&E Corporation on September 16, 2022. No dividend is payable until declared by the Board of Directors of the Utility.

Subject to the dividend restrictions as described in Note 7 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K, any decision to declare and pay dividends on PG&E Corporation's common stock in the future will be made at the discretion of the Board of Directors and will depend on, among other things, results of operations, financial condition, cash requirements, contractual restrictions, and other factors that the Board of Directors may deem relevant. Pursuant to the Confirmation Order, PG&E Corporation may not pay dividends on shares of its common stock until it recognizes \$6.2 billion in Non-GAAP Core Earnings following the Emergence Date. "Non-GAAP Core Earnings" means GAAP earnings adjusted for certain non-core items. PG&E Corporation currently is unable to predict when it will commence the payment of dividends on its common stock.

Utility Cash Flows

The Utility's cash flows were as follows:

(in millions)	Nine Months Ended September 30,	
	2022	2021
Net cash provided by operating activities	\$ 2,940	\$ 2,220
Net cash used in investing activities	(8,173)	(4,823)
Net cash provided by financing activities	5,304	2,479
Net change in cash, cash equivalents, and restricted cash	\$ 71	\$ (124)

Operating Activities

The Utility's cash flows from operating activities primarily consist of receipts from customers less payments of operating expenses, other than expenses such as depreciation that do not require the use of cash. During the nine months ended September 30, 2022, net cash provided by operating activities increased by \$720 million compared to the same period in 2021. This increase was primarily due to a reduction in accounts receivable in 2022 resulting from the CAPP relief payment of approximately \$300 million received in January 2022 to reduce the amounts owed by customer accounts in arrears. In addition, during the nine months ended September 30, 2022, the Utility made a payment to the Fire Victim Trust of \$592 million as compared to a payment of \$758 million in the same period in 2021.

Future cash flow from operating activities will be affected by various factors, including:

- the timing and amount of costs in connection with the 2019 Kincadee fire, the 2020 Zogg fire, the 2021 Dixie fire, and the 2022 Mosquito fire and the timing and amount of any potential related insurance, Wildfire Fund, and regulatory recoveries;
- the timing and amounts of costs, including fines and penalties, that may be incurred in connection with current and future enforcement, litigation, and regulatory matters (see "Wildfire-Related Securities Class Action" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1 and "Enforcement and Litigation Matters" and "Regulatory Matters" below for more information);
- the severity, extent and duration of the global COVID-19 pandemic and its impact on the Utility's service territory, the ability of the Utility to collect on its customer invoices, the ability of the Utility's customers to pay their utility bills in full and in a timely manner, the ability of the Utility to offset these effects, including with spending reductions, and the ability of the Utility to recover through rates any losses incurred in connection with the COVID-19 pandemic, as well as the impact of the COVID-19 pandemic on the availability or cost of financing;
- the timing and amounts of available funds to pay eligible claims for liabilities arising from future wildfires;
- the timing and amount of substantially increasing costs in connection with the 2020-2022 WMP and the costs previously incurred in connection with the 2019 WMP that are not currently being recovered through rates (see "Regulatory Matters" below for more information);
- the timing and amount of premium payments related to wildfire insurance (see "Insurance Coverage" in Note 11 of the Notes to the Condensed Consolidated Financial Statements in Item 1 for more information);
- the timing and amount of the gain from the potential sale of a minority interest in Pacific Generation (see "Regulatory Matters" below for more information);

- the timing of the gain to be returned to customers from the sale of the SFGO and transmission tower wireless licenses and the amounts incurred related to the move to and the leasing of the Lakeside Building; and
- the timing and outcomes of the Utility's pending and future ratemaking and regulatory proceedings, including the extent to which PG&E Corporation and the Utility are able to recover their costs through regulated rates as recorded in memorandum accounts or balancing accounts, or as otherwise requested.

PG&E Corporation and the Utility do not have any off-balance sheet arrangements that have had, or are reasonably likely to have, a current or future material effect on their financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources, other than those discussed under "Purchase Commitments" in Note 15 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

Investing Activities

Net cash used in investing activities increased by \$3.4 billion during the nine months ended September 30, 2022 as compared to the same period in 2021. This increase was primarily driven by a \$1.9 billion increase in capital expenditures, including additional system hardening and emergency response work performed in 2022. Additionally, the Utility purchased \$1.0 billion of investments as part of the creation of the customer credit trust, with no similar purchases in 2021.

The Utility's investing activities primarily consist of the construction of new and replacement facilities necessary to provide safe and reliable electricity and natural gas services to its customers. Cash used in investing activities also includes the proceeds from sales of nuclear decommissioning trust investments which are largely offset by the amount of cash used to purchase new nuclear decommissioning trust investments. The funds in the decommissioning trusts, along with accumulated earnings, are used exclusively for decommissioning and dismantling the Utility's nuclear generation facilities.

Future cash flows used in investing activities are largely dependent on the timing and amount of capital expenditures. The Utility estimates that it will incur between \$7.8 billion and \$9.4 billion of capital expenditures in 2022 and between \$7.9 billion and \$11.2 billion in 2023. Cash provided by or used in investing activities is also driven by proceeds and purchases of customer credit trust investments. Additionally, future cash flows used in investing activities will be impacted by the timing and amount related to the intended purchase of the Lakeside Building.

Financing Activities

Net cash provided by financing activities increased by \$2.8 billion during the nine months ended September 30, 2022 as compared to the same period in 2021. The increase was due to the issuance of \$7.5 billion in SB 901 recovery bonds and a \$1.0 billion increase in net borrowings under credit facilities, partially offset by a \$4.9 billion decrease in proceeds from issuance of long-term debt, net of repayments, during the nine months ended September 30, 2022, as compared to the same period in 2021. Additionally, the Utility received equity contributions from PG&E Corporation of \$427 million, which were offset by common stock dividend payments of \$850 million. The net increase was also offset by \$370 million of proceeds received in 2021 from the sale of future revenue from transmission tower license sales, with no similar receipts in 2022.

Cash provided by or used in financing activities is driven by the Utility's financing needs, which depend on the level of cash provided by or used in operating activities, the level of cash provided by or used in investing activities, the conditions in the capital markets, and the maturity date or prepayment date of existing debt instruments. Additionally, future cash flows from financing activities will be affected by the timing and outcome of the Utility's second AB 1054 securitization transaction, dividend payments, and equity contributions from PG&E Corporation.

ENFORCEMENT AND LITIGATION MATTERS

PG&E Corporation and the Utility have significant contingencies arising from their operations, including contingencies related to the enforcement and litigation matters described in Note 2, Note 11, and 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1. that are incorporated by reference herein. The outcome of these matters, individually or in the aggregate, could have a material effect on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

Enhanced Oversight and Enforcement Process

In the OII to Consider PG&E Corporation's and the Utility's Plan of Reorganization final decision, the CPUC adopted an EOEP designed to provide a roadmap for how the CPUC will monitor the Utility's operational performance on an ongoing basis. The EOEP contains six steps that are triggered by specific events and includes enhanced reporting requirements and additional monitoring and oversight. These trigger events include failure to obtain an approved WMP, failure to comply with regulatory reporting requirements in the WMP, insufficient progress toward approved safety or risk-driven investments and failure to comply with or demonstrate sufficient progress toward certain metrics. The EOEP also contains provisions for the Utility to cure and permanently exit the EOEP if it can satisfy specific criteria. If the Utility is placed into the EOEP, actions taken would occur in coordination with the CPUC's existing formal and informal reporting requirements and procedures. The EOEP does not replace or limit the CPUC's regulatory authority, including the authority to issue Orders to Show Cause and OIIs and to impose fines and penalties. The EOEP requires the Utility to report the occurrence of a triggering event to the CPUC's executive director no later than five business days after the date on which any member of senior management of the Utility becomes aware of the occurrence of a triggering event.

On August 18, 2021, the then-president of the CPUC informed the Utility that the CPUC staff intends to conduct a fact-finding review regarding a pattern of self-reported missed inspections and other self-reported safety incidents to determine whether a recommendation to advance the Utility further within the EOEP is warranted.

The Utility is unable to predict whether additional fines or penalties may be imposed, or other regulatory actions may be taken.

Vegetation Management

The CPUC placed the Utility into step 1 of the EOEP on April 15, 2021 and imposed additional reporting requirements on the Utility. The CPUC's resolution states that a step 1 triggering event had occurred because the Utility had "made insufficient progress toward approved safety or risk-driven investments related to its electric business." The resolution found that, based on the CPUC's evaluation of the Utility's EVM work in 2020, the Utility was "not sufficiently prioritizing its Enhanced Vegetation Management ("EVM") based on risk" and was "not making risk-driven investments." The resolution also found that "less than five percent of the EVM work" the Utility completed in 2020 "was on the 20 highest risk power lines according to its own risk rankings."

As required by the CPUC's resolution, the Utility submitted a corrective action plan to the CPUC's Executive Director on May 6, 2021, which is designed to correct or prevent recurrence of the step 1 triggering event, or otherwise mitigate any ongoing safety risk or impact, as soon as practicable, among other things. The corrective action plan addressed the EVM situation that occurred in 2020 and provided a risk-informed EVM work plan for 2021. The Utility is required to update the information contained in the corrective action plan every 90 days, which it has done. The Utility will remain in step 1 of the EOEP until the CPUC determines that the Utility has met the conditions of the corrective action plan. If the Utility does not adequately meet such conditions within the timeframe approved by the CPUC, the CPUC may place the Utility into a higher step of the EOEP, or the Utility may remain in step 1 of the EOEP if it demonstrates sufficient progress towards meeting such conditions.

On October 14, 2022, the CPUC issued a draft resolution authorizing the Utility to exit the EOEP. The CPUC is scheduled to vote on the draft resolution on November 17, 2022.

REGULATORY MATTERS

The Utility is subject to substantial regulation by the CPUC, the FERC, the NRC, and other federal and state regulatory agencies. The resolutions of the proceedings described below and other proceedings may materially affect PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

During the three months ended September 30, 2022 and through the date of this filing, the Utility has continued to make progress on regulatory and legislative matters.

- On September 2, 2022, the Governor of California signed SB 846, which supports the extension of operations at Diablo Canyon until 2030. The Utility filed an application for federal funding through the U.S. DOE's Civil Nuclear Credit program on September 2, 2022. On October 18, 2022, the Utility executed the loan agreement with the DWR. On September 29, 2022, the Governor of California also signed SB 884, which authorizes and expedites OEIS and CPUC review of a 10-year undergrounding plan.

- On September 6, 2022, the Utility submitted update testimony in the 2023 GRC. The update testimony reflects updates for escalation rates and federal tax law and increases the Utility's revenue requirement request by \$835 million for 2023. On October 7, 2022, the Utility filed a settlement agreement with two parties to the proceeding pursuant to which the Utility's wildfire insurance would be entirely based on self-insurance.
- On September 28, 2022, the Utility filed an application with the CPUC regarding the separation of its non-nuclear generation assets into a stand-alone Utility subsidiary and the potential sale of a minority interest in the newly-formed subsidiary to one or more investors to be identified.
- On September 30, 2022, the CPUC issued a PD and an APD in the Utility's 2022 cost of capital proceeding. Both the PD and the APD find that an extraordinary event occurred, though only the PD opens a second phase to determine a new 2022 cost of capital.
- On October 6, 2022, OEIS issued a draft decision approving the Utility's 2022 WMP.
- On October 11, 2022, the CPUC issued a PD and an APD regarding the Utility's 2020 WMCE application. The Utility intends to seek further review of both proposed decisions.
- On October 14, 2022, the CPUC issued a draft resolution authorizing the Utility to exit the EOEP. The CPUC is scheduled to vote on the draft resolution on November 17, 2022.

Cost Recovery Proceedings

Periodically, costs arise that could not have been anticipated by the Utility during CPUC GRC rate requests or that have been deliberately excluded from such requests. These costs may result from catastrophic events, changes in regulation, or extraordinary changes in operating practices. The Utility may seek authority to track incremental costs in a memorandum account and the CPUC may authorize recovery of costs tracked in memorandum accounts if the costs are deemed incremental and prudently incurred. The CPUC may also authorize balancing accounts with limitations or caps to cost recovery. These various accounts, which include the CEMA, WEMA, FHPMA, FRMMA, WMPMA, VMBA, WMBA, and RTBA among others, allow the Utility to track the costs associated with work related to disaster and wildfire response, other wildfire prevention-related costs, certain third-party wildfire claims, and insurance costs. While the Utility generally expects such costs to be recoverable, there can be no assurance that the CPUC will authorize the Utility to recover the full amount of its costs.

In recent years, the amount of the costs recorded in these accounts has increased. Because rate recovery may require CPUC authorization for these accounts, there can be a delay between when the Utility incurs costs and when it may recover those costs. As of September 30, 2022, the Utility had recorded an aggregate amount of approximately \$5.7 billion in costs for the CEMA, WEMA, FHPMA, FRMMA, WMPMA, VMBA, WMBA, MGMA, and RTBA. Of these costs, approximately \$800 million was authorized for recovery and accounted for as current, and \$4.9 billion was accounted for as long term as of September 30, 2022. See Note 4 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

If the amount of the costs recorded in these accounts continues to increase or the delay between incurring and recovering costs lengthens, PG&E Corporation and the Utility may incur additional financing costs. If the Utility does not recover the full amount of its recorded costs, the difference between the recorded and recovered amounts would be written off as a non-cash disallowance. Such disallowances could materially affect PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

Except as otherwise noted, the Utility is unable to predict the timing and outcome of the following applications. PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows could be materially affected if the Utility is unable to timely recover costs included in these applications.

For more information, see Note 4 of the Notes to the Condensed Consolidated Financial Statements in Item 1., "Wildfire Mitigation and Catastrophic Events Cost Recovery Applications," and "Catastrophic Event Memorandum Account Application" below.

The Utility's cost recovery proceedings for the costs described above that are pending, have pending appeals, or were completed during the nine months ended September 30, 2022 are summarized in the following table:

Proceeding	Request	Status
2020 WMCE	Revenue requirement of approximately \$1.28 billion	Settlement agreement to recover \$1.04 billion of revenue requirement filed September 2021. PD and APD issued in October 2022.
2021 WMCE	Revenue requirement of approximately \$1.47 billion	PD scheduled for the fourth quarter of 2022.
2018 CEMA	Revenue requirement of \$763 million	Settlement agreement to recover \$683 million plus interest approved March 2022.

Wildfire Mitigation and Catastrophic Events Cost Recovery Applications

2020 WMCE Application

On September 30, 2020, the Utility filed an application with the CPUC requesting cost recovery of recorded expenditures related to wildfire mitigation and certain catastrophic events (the "2020 WMCE application"). The recorded expenditures, which exclude amounts disallowed as a result of the CPUC's decision in the OII into the multiple wildfires that began on October 8, 2017 and spread through Northern California, including Napa, Sonoma, Butte, Humboldt, Mendocino, Lake, Nevada and Yuba Counties, as well as in the area surrounding Yuba City (the "2017 Northern California wildfires") and the 2018 Camp fire, consist of \$1.18 billion in expense and \$801 million in capital expenditures, resulting in a proposed revenue requirement of approximately \$1.28 billion.

On September 21, 2021, the Utility and certain parties filed a motion with the CPUC seeking approval of a settlement agreement that would resolve all of the issues raised by the settling parties in the 2020 WMCE application. The settlement agreement proposes that the Utility recover a revenue requirement of \$1.04 billion. The settlement agreement authorizes the Utility to recover a revenue requirement of \$591 million over a 24-month amortization period, which is in addition to the interim rate relief of \$447 million that was approved by an earlier CPUC decision. On October 11, 2022, the assigned ALJ issued a PD, and the assigned Commissioner issued an APD. The PD would reject the settlement agreement and result in recovery of a revenue requirement of approximately \$748 million. The APD would approve the settlement and authorize recovery of a revenue requirement of \$1.04 billion, but would modify the settlement agreement to make permanent a 19% reduction in capital expenditures for future cost-recovery periods through the full service life of the subject assets; the settlement agreement had limited this period to three years. The Utility intends to seek further review of both proposed decisions.

For more information regarding this proceeding, see Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

2021 WMCE Application

On September 16, 2021, the Utility filed an application with the CPUC requesting cost recovery of approximately \$1.6 billion of recorded expenditures, resulting in a proposed revenue requirement of approximately \$1.47 billion (the "2021 WMCE application"). The costs addressed in this application reflect costs related to wildfire mitigation and certain catastrophic events, as well as implementation of various customer-focused initiatives. These costs were incurred primarily in 2020.

The recorded expenditures consist of \$1.4 billion in expenses and \$197 million in capital expenditures. The costs addressed in the 2021 WMCE application are incremental to those previously authorized in the Utility's 2017 GRC, 2020 GRC, and other proceedings. The majority of the Utility's proposed revenue requirement would be collected over a two-year period beginning in January 2023.

The Utility's requested revenue requirement includes amounts recorded to the VMBA of \$592 million, the CEMA of \$535 million, the WMBA of \$149 million, and other memorandum accounts. On November 18, 2021, the Utility filed updates to the application, increasing total costs by \$19.4 million. On December 30, 2021, the Utility filed supplemental testimony reducing the cost recovery request of the COVID-19 CEMA costs by \$12.2 million. The \$12.2 million reduction was a result of costs, such as employee business travel expenses and in-person training costs, that the Utility was able to avoid due to the pandemic.

The CPUC's schedule indicates a PD will be issued in the fourth quarter of 2022.

Catastrophic Event Memorandum Account Application

The CPUC allows utilities to recover the reasonable, incremental costs of responding to catastrophic events that have been declared a disaster or state of emergency by competent federal or state authorities. The Utility has historically sought such costs through standalone CEMA applications. More recently, the Utility has sought to recover CEMA-eligible costs through its WMCE applications.

In addition to the Utility's responsibilities in responding to catastrophic events, in 2014, the CPUC directed the Utility to perform additional fire prevention and vegetation management work in response to the severe drought in California. Through 2019, the costs associated with this work were tracked in the CEMA. In the 2020 GRC decision, the CPUC required the Utility to track these costs in the VMBA for the period beginning January 1, 2020.

2018 CEMA Application

On March 30, 2018, the Utility submitted to the CPUC its 2018 CEMA application requesting cost recovery of \$183 million in connection with seven catastrophic events that included fire and storm declared emergencies from mid-2016 through early 2017, as well as \$405 million related to work performed in 2016 and 2017 to cut back or remove dead or dying trees that were exposed to years of drought conditions and bark beetle infestation. The Utility filed three revisions to this application, resulting in a total cost recovery request of \$763 million.

On April 25, 2019, the CPUC approved the Utility's request for interim rate relief, allowing for recovery of \$373 million of costs as requested by the Utility at that time. The interim rate relief was implemented, commencing on October 1, 2019.

On March 17, 2022, the CPUC approved a settlement agreement authorizing the Utility to collect a total of \$683 million plus interest for the 2018 CEMA application. As noted above, \$373 million of the total amount had already been collected in interim rates. The interim rates became final and are no longer subject to refund. The remainder of the authorized revenue requirement will be amortized over a 12-month period, which began on June 1, 2022.

Forward-Looking Rate Cases

The Utility routinely participates in forward-looking rate case applications before the CPUC and the FERC. Those applications include GRCs, where the revenue required for general operations ("base revenue") of the Utility is assessed and reset. In addition, the Utility is periodically involved in proceedings to adjust its regulated return on rate base.

Decisions in GRC proceedings have historically been expected prior to the commencement of the period to which the rates would apply. In recent years, decisions in GRC proceedings have been delayed. Delayed decisions may cause the Utility to develop its budgets based on approved revenue requirements and possible outcomes, rather than authorized amounts. When decisions are delayed, the CPUC typically provides rate relief to the Utility effective as of the commencement of the rate case period (not effective as of the date of the delayed decision). Nonetheless, the Utility's spending during the period of the delay may exceed the authorized amount, without an ability for the Utility to seek cost recovery of such excess. If the Utility's spending during the period of the delay is less than the authorized amount, the Utility could be exposed to operational and financial risk associated with the lower level of work achieved compared to that funded by the CPUC.

Except as otherwise noted, the Utility is unable to predict the timing and outcome of the following applications. PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows could be materially affected depending on the outcomes of these applications.

The Utility's forward-looking rate cases that are pending, have pending appeals, or were completed during the nine months ended September 30, 2022 are summarized in the following table:

Rate Case	Request	Status
2023 GRC	Revenue requirement of \$16.18 billion for 2023	Filed amended application March 2022. Submitted updated testimony September 2022. A decision is scheduled in the third quarter of 2023.
2022 Cost of Capital	Leave cost of capital components at pre-2022 levels for 2022	Filed August 2021. PD and APD issued in September 2022.
2023 Cost of Capital	Increase ROE to 11% and cost of debt to 4.31%	Filed April 2022 and updated September 2022. PD expected in November 2022.
2015 GT&S	Revenue requirement of \$416 million related to 2011-2014 capital expenditures subject to audit	Final decision issued in July 2022 approving settlement to recover \$356 million of revenue requirements.

2023 General Rate Case

On June 30, 2021, the Utility filed its 2023 GRC application with the CPUC ("the Original Application"). The 2023 GRC combined what had historically been separated into the GRC and GT&S rate cases. In a GRC, the CPUC approves annual revenue requirements for the first year (a "test year") of the GRC period and typically authorizes the Utility to receive annual increases in revenue requirements for the subsequent years of the GRC period (known as "attrition years"). In the 2023 GRC, the CPUC will determine the annual amount of base revenues that the Utility will be authorized to collect from customers from 2023 through 2026 to recover its anticipated costs for gas distribution, gas transmission and storage, electric distribution, and electric generation and to provide the Utility an opportunity to earn its authorized rate of return. The Utility's revenue requirements for other portions of its operations, such as electric transmission, and electricity, natural gas and power purchases, are authorized in other regulatory proceedings overseen by the CPUC or the FERC. In the Original Application, the Utility proposed a series of safety, resiliency, and clean energy investments to further reduce wildfire risk and deliver safe, reliable, and clean energy service.

Between August 2021 and January 2022, the Utility served various updates to its 2023 GRC testimony. On February 25, 2022 and February 28, 2022, the Utility served supplemental testimony for its 2023 GRC to reflect the Utility's integrated wildfire mitigation strategy, including the Utility's proposals for the initial phase of undergrounding 10,000 miles of electric distribution powerlines in high fire risk areas throughout the Utility's service area, the EPSS program, and its EVM program. On March 10, 2022, the Utility filed an amended application that revised and superseded the revenue requirement request in the Original Application. On September 6, 2022, the Utility submitted testimony updating the revenue requirement request in its 2023 GRC proceeding. The testimony reflected updates for escalation rates and federal tax law and guidance since the filing of the Original Application.

As amended and updated, the Utility's application requests revenue requirements of \$16.18 billion and a weighted-average GRC rate base of \$50.88 billion for its 2023 test year. The tables below compare the requested revenue requirements and rate base for the GRC period from 2023 through 2026 to those adopted for 2022 in the 2020 GRC and 2019 GT&S proceedings:

(in billions)	2022 (as adopted)	2023	2024	2025	2026
Requested revenue requirement	\$ 12.21	\$ 16.18	\$ 17.22	\$ 18.08	\$ 18.76
Requested weighted-average GRC rate base	39.21	50.88	56.81	62.51	68.16

Over the GRC period of 2023 through 2026, the Utility plans to make average annual capital investments of approximately \$10.95 billion in gas distribution, transmission and storage, electric distribution, and electric generation infrastructure, and to improve safety, reliability, and customer service.

On July 22, 2022, the Utility submitted a request for the second track of this proceeding, requesting cost recovery of recorded expenditures related primarily to the safety and reliability of the Utility's gas transmission and storage system. The recorded expenditures consist of \$206 million in expenses and \$129 million in capital expenditures, resulting in a proposed revenue requirement of approximately \$241 million, most of which is proposed to be collected over a two-year period beginning August 1, 2023.

On October 7, 2022, the Utility filed a settlement agreement with two parties to the proceeding pursuant to which the Utility's wildfire insurance would be entirely based on self-insurance. If approved, the self-insurance would be funded through CPUC-jurisdictional rates at \$400 million for test year 2023 and subsequent years until \$1.0 billion of unimpaired self-insurance is reached. If losses are incurred, the settlement agreement contains an adjustment mechanism designed to match customer funded self-insurance with wildfire related liabilities as they become payable. The settlement agreement includes a 5% deductible, that is shareholder funded, on claims that are incurred each year capped at a maximum of \$50 million. The parties' motion requested a decision on the settlement by February 2023.

The Utility does not seek recovery of compensation of PG&E Corporation's and the Utility's officers within the scope of 17 Code of Federal Regulations 240.3b-7.

The CPUC's schedule indicated a decision on both tracks of this proceeding would be issued in the third quarter of 2023.

Cost of Capital Proceedings

2020 and 2022 Cost of Capital Applications

On December 19, 2019, the CPUC approved a final decision in the 2020 cost of capital application (the "2020 cost of capital application"), maintaining the Utility's return on common equity at the 2019 level of 10.25% for the three-year period beginning January 1, 2020. The decision maintained the common equity component of the Utility's capital structure (i.e., the relative weightings of common equity, preferred equity, and debt for ratemaking) at 52% and reduced its preferred stock component from 1% to 0.5%. The decision also approved the cost of debt requested by the Utility.

On August 23, 2021, the Utility filed an off-cycle 2022 cost of capital application with the CPUC. The Utility also concurrently filed a motion requesting that the revenue requirement for the 2022 cost of capital be recorded in memorandum accounts to be trued-up following a final decision in this proceeding. On October 28, 2021, the CPUC ruled that the Utility was required to comply with the cost of capital mechanism for 2022; if the CPUC determines that there are not extraordinary circumstances that warrant a departure from the cost of capital mechanism for 2022, the cost of capital adjustment mechanism would operate, and the return on common equity would be 9.67% and the cost of long-term debt would be 4.15%.

On September 30, 2022, the assigned ALJs issued a PD, and the assigned Commissioner issued an APD. Both the PD and the APD found that an extraordinary event occurred, and that the cost of capital adjustment mechanism should not be implemented for 2022. If adopted, the PD would open a second phase of this proceeding to determine the 2022 cost of capital, while the APD would retain the cost of capital previously authorized in the 2020 cost of capital proceeding and close this proceeding. Comments on the PD and APD were filed October 20, 2022, and reply comments were filed October 25, 2022.

For more information regarding this proceeding, see Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

2023 Cost of Capital Application

On April 20, 2022, the Utility filed an application with the CPUC requesting that the CPUC authorize the Utility's cost of capital for its electric generation, electric distribution, natural gas distribution, and natural gas transmission and storage rate base beginning on January 1, 2023 (the "2023 cost of capital application").

In its 2023 cost of capital application, the Utility requested that the CPUC approve the Utility's proposed ratemaking capital structure (i.e., the relative weightings of common equity, preferred equity, and debt for ratemaking), ROE, cost of preferred stock, and cost of debt. The Utility proposed to adopt a rate of ROE of 11% for test year 2023 and to retain the existing capital structure, which would result in a \$231 million total increase above currently adopted electric generation, electric distribution, natural gas distribution, and natural gas transmission and storage revenue requirements. The estimated revenue increase is based on the 2022 adopted electric generation, electric distribution, natural gas distribution, and natural gas transmission and storage rate base and does not reflect projected infrastructure investments beyond 2022.

The following table compares the currently authorized capital structure and rates of return with those requested in the Utility's application for 2023, as modified by a correction to the requested level of long-term debt that the Utility identified on June 27, 2022, and an update to the long-term cost of debt submitted on September 14, 2022. The Utility's authorized rates of return for 2022 are currently subject to a separate cost of capital proceeding as described above.

	2022 Currently Authorized			2023 Requested		
	Cost	Capital Structure	Weighted Cost	Cost	Capital Structure	Weighted Cost
Common Equity	10.25 %	52.00 %	5.33 %	11.00 %	52.00 %	5.72 %
Preferred Stock	5.52 %	0.50 %	0.03 %	5.52 %	0.50 %	0.03 %
Long-term Debt	4.17 %	47.50 %	1.98 %	4.31 %	47.50 %	2.05 %
Weighted Average Cost of Capital		100.00 %	7.34 %		100.00 %	7.80 %

For 2023, the Utility expects that the proposed cost of capital, if adopted, would result in revenue requirement increases of approximately \$141 million for electric generation and distribution and \$54 million for gas distribution operations, assuming 2022 authorized rate base amounts from the 2020 GRC decision. The revenues for the gas transmission and storage operations would increase by approximately \$36 million, assuming 2022 authorized rate base amounts from the 2019 GT&S decision. However, if the CPUC subsequently approves different electric and gas rate base amounts for the Utility in its 2023 GRC, which is currently pending before the CPUC, the revenue requirement changes resulting from the Utility's requested ROE may differ from the amounts reflected in the 2023 cost of capital application for the period beyond 2022.

The Utility also requested that the CPUC approve an upward adjustment above the three-month commercial paper rate for interest on the Utility's balancing and memorandum accounts to reflect the Utility's actual cost of short-term debt. The Utility requested that the adjustment be set on an annual basis effective January 1 of each year based on the average difference between the three-month commercial paper rate and the Utility's actual cost of short-term debt over the preceding twelve-month period from November through October. The Utility included an illustrative calculation using the period March 2021 to February 2022 with an adjustment to increase the rate by 153 basis points, which would result in an estimated \$69.3 million increase in recovery of short-term financing costs associated with its recent balancing and memorandum account balances. The actual revenue requirement impact of the short-term debt proposal would differ depending on the final adjustment set each year and the recorded balances in the balancing and memorandum accounts.

The cost of capital that is approved in this proceeding is expected to be effective until December 31, 2025, unless the cost of capital adjustment mechanism is triggered. (For more information on the cost of capital adjustment mechanism, see Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.)

On July 12, 2022, the CPUC issued a scoping memo which indicates a PD in November 2022.

2015 Gas Transmission and Storage Rate Case

On June 23, 2016, the CPUC approved a final phase one decision in the Utility's 2015 GT&S rate case. The phase one decision excluded from rate base \$696 million of 2011 to 2014 capital spending in excess of the amount adopted in the prior GT&S rate case. The decision permanently disallowed \$120 million of that amount and ordered that the remaining \$576 million be subject to an audit overseen by the CPUC staff, with the possibility that the Utility may seek recovery in a future proceeding. On July 14, 2022, the CPUC approved a final decision approving a settlement agreement among the Utility and the active parties in the proceeding, which authorizes a \$356.3 million revenue requirement for the period of 2015 through 2022. For more information regarding this proceeding, see Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Transmission Owner Rate Cases

Transmission Owner Rate Cases for 2015 and 2016 (the "TO16" and "TO17" rate cases, respectively)

As previously disclosed, on January 8, 2018, the Ninth Circuit Court of Appeals issued an opinion granting an appeal of the FERC's decisions in the TO16 and TO17 rate cases that had granted the Utility a 50-basis point ROE incentive adder for its continued participation in the CAISO. If the FERC concluded on remand that the Utility should no longer be authorized to receive the 50-basis point ROE incentive adder, the Utility would incur a refund obligation of \$1 million and \$8.5 million for TO16 and TO17, respectively. Those rate case decisions were remanded to the FERC for further proceedings consistent with the Ninth Circuit Court of Appeals' opinion.

On July 18, 2019, the FERC issued its order on remand reaffirming its prior grant of the Utility's request for the 50-basis point ROE adder.

On March 17, 2020, the FERC issued its order denying requests for rehearing that were previously filed by several parties. On May 11, 2020, the CPUC and a number of other parties filed a petition for review of the FERC's orders in the Ninth Circuit Court of Appeals.

On March 17, 2022, the Ninth Circuit Court of Appeals upheld the FERC's order granting the Utility the 50-basis point ROE incentive adder for CAISO participation. The order would extinguish the Utility's refund obligations that might have been required under the TO16 and TO17 rate cases had the Ninth Circuit Court of Appeals not found in the FERC's favor. On May 2, 2022, the CPUC filed a petition for panel rehearing of the order. On May 25, 2022, the Ninth Circuit Court of Appeals issued a decision denying the request for rehearing and the request for a rehearing *en banc*.

Transmission Owner Rate Case for 2017 (the "TO18" rate case)

As previously disclosed, on July 29, 2016, the Utility filed its TO18 rate case with the FERC requesting a 2017 retail electric transmission revenue requirement of \$1.72 billion, a \$387 million increase over the 2016 revenue requirement of \$1.33 billion. The forecasted network transmission rate base for 2017 was \$6.7 billion. The Utility sought a ROE of 10.9%, which included an incentive component of 50-basis points for the Utility's continuing participation in the CAISO.

On October 15, 2020, the FERC issued an order that, among other things, rejected the Utility's direct assignment of common plant to FERC and required the allocation of all common plant between CPUC and FERC jurisdiction be based on operating and maintenance labor ratios. The order reopened the record for the limited purpose of allowing the participants to the proceeding an opportunity to present written evidence concerning the FERC's revised ROE methodology adopted in FERC Opinion No. 569-A, issued on May 21, 2020.

On December 17, 2020 and June 17, 2021, the FERC issued orders denying requests for rehearing submitted by the Utility and intervenors. In 2021, the Utility filed four appeals. The appeals related to two issues: (1) impact of the Tax Act on TO18 rates in January and February 2018 and (2) aspects of the rehearing order other than the Tax Act. The appeals have been consolidated and are currently being held in abeyance until the FERC addresses the ROE issue on rehearing.

As a result of an order denying rehearing on the common plant allocation, the Utility increased its regulatory liabilities for amounts previously collected during the TO18, TO19, and TO20 rate case periods from 2017 through the third quarter of 2022 by approximately \$384 million. A portion of these common plant costs are expected to be recovered at the CPUC in a separate application and as a result, as of September 30, 2022, the Utility had recorded approximately \$240 million to Regulatory assets.

On March 17, 2022, the FERC issued a further order in the TO18 rate case proceeding finding that 9.26% is the just and reasonable base ROE for the Utility. With the incentive component of 50-basis points for the Utility's continuing participation in the CAISO, the resulting ROE would be 9.76%. As a result, the Utility increased its regulatory liability for the potential refund for TO18 by \$30 million in the first quarter of 2022. On April 18, 2022, the Utility sought rehearing of the FERC's determination of the base ROE finding. On May 16, 2022 and May 31, 2022, the Utility filed a compliance filing and a refund report describing the adjustments made to the transmission revenue requirement, adjusted rates, and the calculation and mechanism of the refunds. On May 19, 2022, the FERC denied all parties' rehearing requests. The Utility has filed an appeal in the D.C. Circuit Court of Appeals, as have the other parties that sought rehearing. The appeal is being held in abeyance until the FERC issues a substantive order on rehearing on the ROE issue.

Aside from the ultimate outcome of the ROE rehearing request and the common plant allocation, the FERC's orders in the TO18 proceeding are not expected to result in a material impact on the Utility's financial condition, results of operations, liquidity, and cash flows. Some of the issues that will be decided in a final and unappealable TO18 decision, including the common plant allocation, will also be incorporated into the Utility's TO19 and TO20 rate cases. The ROE rehearing request will not impact the TO20 rate case. See "Transmission Owner Rate Case Revenue Subject to Refund" in Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Transmission Owner Rate Case for 2018 (the “TO19” rate case)

As previously disclosed, on July 27, 2017, the Utility filed its TO19 rate case with the FERC. On December 20, 2018, the FERC issued an order approving an all-party settlement filed by the Utility. As part of the settlement, the TO19 revenue requirement will be set at 98.85% of the revenue requirement for TO18 that will be determined upon the issuance of a final, non-appealable TO18 decision. On March 17, 2022, the Ninth Circuit Court of Appeals upheld the FERC’s order granting the Utility the 50-basis point ROE incentive adder for CAISO participation and eliminating the refund obligation, and so the Utility was not obligated to make a refund to customers based on this matter. See “Transmission Owner Rate Cases for 2015 and 2016” above for a discussion of the incentive adder. As a result of the potential reduction to the TO18 revenue requirement, the Utility increased its regulatory liability for the potential refund for TO19 by \$32 million in the first quarter of 2022. On April 18, 2022, the Utility sought rehearing of the FERC’s determination of the base ROE finding.

Transmission Owner Rate Case for 2019 (the “TO20” rate case)

As previously disclosed, on October 1, 2018, the Utility filed its TO20 rate case with the FERC requesting approval of a formula rate for the costs associated with the Utility’s electric transmission facilities. On November 30, 2018, the FERC issued an order accepting the Utility’s October 2018 filing, subject to hearings and refund, and established May 1, 2019 as the effective date for rate changes. The FERC also ordered that the hearings be held in abeyance pending settlement discussions among the parties.

On March 31, 2020, the Utility filed a partial settlement with the FERC, which the FERC approved on August 17, 2020. On October 15, 2020, the Utility filed a settlement with the FERC resolving all of the remaining issues in the formula rate proceedings, including the Utility’s ROE, capital structure, depreciation rates, as well as certain other aspects of the Utility’s formula rate. Specifically, the settlement establishes an all-in ROE of 10.45%; a fixed capital structure of 49.75% common stock, 49.75% debt, and 0.5% preferred stock; and fixed depreciation rates for various categories of transmission facilities (represented by individual FERC accounts). The term of the settlement continues until December 31, 2023 and the Utility will be required to file a replacement rate filing to be effective on January 1, 2024.

On December 30, 2020, the FERC approved the settlement without modification.

Some of the issues that will be decided in a final and unappealable TO18 decision, including the common plant allocation, will also be incorporated into the Utility’s TO20 rate case.

Other Regulatory Proceedings

Application for Post-Emergence SB 901 Securitization Transaction

SB 901, signed into law on September 21, 2018, requires the CPUC to establish a CHT, directing the CPUC to limit certain disallowances in the aggregate so that they do not exceed the maximum amount that the Utility can pay without harming customers or materially impacting its ability to provide adequate and safe service. SB 901 also authorizes the CPUC to issue a financing order that permits recovery, through the issuance of recovery bonds (also referred to as “securitization”), of wildfire-related costs found to be just and reasonable by the CPUC and, only for the 2017 Northern California wildfires, any amounts in excess of the CHT.

Pursuant to SB 901 and the CPUC’s methodology adopted in the CHT OIR, on April 30, 2020, the Utility filed an application with the CPUC seeking authorization for a post-emergence transaction to recover \$7.5 billion of 2017 wildfire claims costs through securitization that is designed to be rate neutral to customers through the creation of a corresponding customer credit trust, with the proceeds used to pay or reimburse the Utility for the payment of wildfire claims costs associated with the 2017 Northern California wildfires. Among other uses, as a result of the proposed transaction, the Utility would retire \$6.0 billion of Utility debt. Specifically, the application requested administration of the stress test methodology approved in the CHT OIR and a determination that \$7.5 billion in 2017 catastrophic wildfire costs and expenses are stress test costs and eligible for securitization. In this context, a securitization refers to a financing transaction where a special purpose financing vehicle issues new debt that is secured by the proceeds of a new recovery charge to Utility customers. The application also proposed a customer credit designed to equal the bond charges over the life of the bonds, which would insulate customers from the charge on customer bills associated with the bonds.

On April 23, 2021, the CPUC issued a decision finding that \$7.5 billion of the Utility's 2017 catastrophic wildfire costs and expenses are stress test costs that may be financed through the issuance of recovery bonds pursuant to Public Utilities Code sections 850 *et seq.* and approving a structure for the transaction. As requested, the decision authorized the Utility to establish a customer credit trust funded by PG&E Corporation's shareholders, that will provide a monthly credit to customers that is anticipated to equal the securitized charges such that the securitization is designed to be rate neutral to customers. Subject to retention of the CPUC's existing jurisdiction, the decision adopted a transaction structure comprised of four elements: (1) an initial shareholder contribution of \$2.0 billion, \$1.0 billion of which was contributed in 2022 and \$1.0 billion to be contributed in 2024; (2) up to \$7.59 billion of additional contributions funded by certain shareholder tax benefits; (3) a single CPUC review of the balance of the customer credit trust in 2040, with a single contingent supplemental shareholder contribution, if needed, up to \$775 million in 2040; and (4) sharing with customers 25% of any surplus of shareholder assets in the customer credit trust at the end of the life of the trust.

In addition, on January 6, 2021, the Utility filed an additional application requesting that the CPUC issue a financing order authorizing the issuance of one or more series of recovery bonds in connection with the post-emergence transaction to finance, using securitization, the \$7.5 billion of claims associated with the 2017 Northern California wildfires, which the CPUC subsequently granted on May 11, 2021.

On February 28, 2022, the decision finding \$7.5 billion of stress test costs eligible for securitization and the financing order authorizing the issuance of up to \$7.5 billion of recovery bonds became final and non-appealable. The financing order authorized the issuance of bonds through the end of 2022. PG&E Wildfire Recovery Funding LLC issued \$3.6 billion aggregate principal amount of Series 2022-A Recovery Bonds on May 10, 2022 and \$3.9 billion aggregate principal amount of Series 2022-B Recovery Bonds on July 20, 2022. See Note 6 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

Application for Second AB 1054 Securitization Transaction

AB 1054 provides that the first \$5.0 billion expended in the aggregate by California's three large electric IOUs on fire risk mitigation capital expenditures included in their respective approved WMPs will be excluded from their respective equity rate bases. The \$5.0 billion of capital expenditures has been allocated among the large electric IOUs in accordance with their Wildfire Fund allocation metrics. The Utility's allocation is \$3.21 billion. AB 1054 contemplates that such capital expenditures may be financed using a structure that securitizes a dedicated customer charge. Pursuant to an earlier financing order issued by the CPUC authorizing the Utility's initial application for AB 1054 securitization transaction, on November 12, 2021, PG&E Recovery Funding LLC issued approximately \$860 million of senior secured recovery bonds. See Note 3 of the Notes to the Condensed Consolidated Financial Statements in Item 1.

On March 11, 2022, the Utility filed an application with the CPUC seeking authorization for a second transaction to securitize up to \$1.7 billion of fire risk mitigation capital expenditure amounts that have been or will be incurred by the Utility from 2019 through 2022. The \$1.7 billion reflects \$212 million recorded and \$1.16 billion forecasted capital expenditure amounts that were approved by the CPUC in the 2020 GRC and up to \$350 million capital expenditure amounts pending in the 2020 WMCE proceeding. On May 4, 2022, the \$350 million of capital expenditure amounts were removed because the CPUC extended the schedule in the 2020 WMCE proceeding such that a final decision approving such capital expenditure amounts in that proceeding was no longer expected prior to the issuance of a financing order authorizing the second AB 1054 securitization transaction. The final amount to be securitized will be based on actual recorded capital expenditures incurred by the Utility prior to the securitization transaction.

The application requested that the CPUC issue a financing order authorizing one or more series of recovery bonds, determine that the issuance of the bonds and collection through fixed recovery charges is just and reasonable, consistent with the public interest, would reduce rates on a present-value basis compared to traditional utility financing mechanisms, and authorize the Utility to collect a non-bypassable charge sufficient to pay debt service on the recovery bonds. The application also requested that the CPUC exclude the securitized debt from the Utility's ratemaking capital structure and adjust the Utility's 2020 GRC revenue requirements following the issuance of the recovery bonds.

On August 5, 2022, the CPUC issued a final decision approving the securitization of up to approximately \$1.4 billion of fire risk mitigation capital expenditures, which is the amount requested in the application less the \$350 million pending in the 2020 WMCE proceeding. The Utility plans to securitize these expenditures later in 2022 or early 2023.

2020-2022 Wildfire Mitigation Plan

The Utility's 2022 WMP was submitted on February 25, 2022. The 2022 WMP addressed the Utility's wildfire safety programs and initiatives focused on reducing the potential for catastrophic wildfires related to electrical equipment, reducing the potential for fires to spread and reducing the impact of PSPS events. On May 26, 2022, the OEIS issued a revision notice requiring the Utility to address 13 critical issues. The Utility responded to the revision notice on June 27, 2022, July 11, 2022, and July 26, 2022, respectively, as directed by OEIS. On October 6, 2022, OEIS issued a draft decision approving the Utility's 2022 WMP. Public comments on the draft decision were submitted to OEIS on October 26, 2022, and reply comments are due by November 7, 2022.

Electric Integrated Resource Planning and Related Procurement

On November 13, 2019, the CPUC issued a decision that takes a number of steps to address the potential for system RA shortages beginning in 2021. The decision required incremental procurement of system-level qualifying RA capacity of 3,300 MWs by all load-serving entities ("LSEs") operating within the CAISO's balancing area for the period from 2021 to 2023, of which the Utility is responsible for 716.9 MWs for its bundled customer portion. The decision required that at least 50% of LSEs resource responsibilities come online by August 1, 2021, at least 75% by August 1, 2022, and the remaining by August 1, 2023. Additionally, the decision directed the IOUs to act as the backstop procurement agent for community choice aggregators and energy service providers that choose not to voluntarily self-procure or that fail to meet their procurement responsibilities after electing to self-provide their assigned MWs of system RA capacity under the decision.

On June 30, 2021, the CPUC issued a mid-term reliability decision to address incremental electric system reliability needs between 2024 and 2026 due to, in part, the pending retirement of once-through-cooling natural gas plants in Southern California and the possible retirement of Diablo Canyon by requiring at least 11,500 MW of additional net qualifying capacity to be procured by LSEs. See section below entitled "Senate Bill 846" in Legislative and Regulatory Initiatives. The decision set procurement requirements of 2,000 MW by 2023, an additional 6,000 MW by 2024, an additional 1,500 MW by 2025, and an additional 2,000 MW by 2026. The decision set the Utility's share of the procurement at 2,302 MW of incremental net qualifying capacity.

On April 21, 2022, the CPUC approved a group of nine long-term RA agreements to meet a portion of the Utility's procurement requirements under the CPUC's mid-term reliability decision. The agreements are each for a term of 15 years and collectively expected to supply 1,598.7 MW of lithium-ion energy storage capacity with some projects expected to be operational in 2023 and others in 2024.

OIR to Revisit Net Energy Metering Tariffs

On August 17, 2020, the CPUC initiated a rulemaking proceeding to develop a successor to the existing NEM tariffs. The successor tariff is being developed pursuant to the requirements of AB 327. Under AB 327, the successor to the existing NEM tariffs should provide customer-generators with credit or compensation for electricity generated by their renewable facilities based on the value of that generation to all customers and allow customer-sited renewable generation to grow sustainably among different types of customers.

On December 13, 2021, the CPUC issued a PD that would reduce the NEM subsidy for new non-California Alternate Rates for Energy Program ("CARE") NEM customers by about 80 percent for standalone solar and about 60 percent for solar-paired storage. Commercial customer NEM subsidy would be reduced by about 35 percent. Additionally, the PD would reduce the legacy period for existing non-CARE NEM customers from 20 years to 15 years after which such customers would transition to the successor tariff. On May 9, 2022, the ALJ issued a ruling setting aside submission of the record to take comment on certain questions regarding possible alternative tariff elements and community solar. On August 25, 2022, the CPUC extended the statutory deadline in this proceeding until August 27, 2023.

Application with Pacific Generation LLC for Approval to Transfer Non-Nuclear Generation Assets

On September 28, 2022, the Utility filed an application with the CPUC regarding the separation of the Utility's non-nuclear generation assets into a newly formed, stand-alone Utility subsidiary, Pacific Generation. The application, which was filed jointly with Pacific Generation, seeks to establish Pacific Generation as a separate, rate-regulated utility subject to regulation by the CPUC and contemplates the potential sale of a minority interest in Pacific Generation to one or more investors to be identified. The application proposes that the negotiated transaction documents would be submitted to the CPUC via an advice letter.

The application requests a final decision by July 2023 to transfer the Utility's non-nuclear generation assets to Pacific Generation. PG&E Corporation and the Utility have proposed to complete the potential minority ownership sale by the end of 2023.

Self-Reports to the CPUC

The Utility self-reports potential violations of certain requirements to the CPUC. The Utility could face penalties, enforcement actions, or other adverse legal or regulatory consequences for these potential violations, including under the EOEP. The Utility is unable to predict the likelihood and the amount of potential fines or penalties, if any, related to these matters.

Electric Asset Inspections

The Utility has notified the CPUC of various errors relating to inspections and maintenance of its electric assets or implementation of WMP initiatives. These notices include missed inspections or the inability to locate records evidencing performance of inspections required under CPUC general orders 95 and 165 (including failure to perform inspections in compliance with general order 165 of approximately 55,000 poles in 2020) and errors regarding reporting meeting targets set by the Utility's 2020 WMP. In these notices, the Utility describes the failures and corrective actions the Utility is taking to remediate these issues and to prevent recurrence. Among other corrective measures, the Utility has developed short-term and longer-term systemic corrective actions to address these errors, including performing enhanced inspections for poles with outdated or incomplete general order 165 inspection records and strengthening the Utility's asset registry, as well as corrective actions regarding reporting on the progress toward WMP targets.

On October 26, 2022, the Utility notified the CPUC that the Utility's procedure for wood pole replacements did not comply with CPUC requirements for replacement of poles under certain conditions and, accordingly, in some instances, the Utility failed to replace wood poles with safety factors below the required minimum. Among other short- and longer-term corrective measures, the Utility is replacing identified poles on a risk prioritized basis and revising its wood pole replacement procedures in alignment with CPUC requirements.

The Utility continues to evaluate whether there are additional failures to comply with general orders 95 and 165 and the 2020 WMP, beyond those identified in submitted self-reports. The Utility intends to update the CPUC upon completion of its reviews and to address any issues it identifies.

Subsurface Electric Ducts

On October 21, 2021, the Utility notified the CPUC of inconsistent application of the requirements to locate and mark empty subsurface electric ducts in accordance with Government Code sections 4216(k), 4216(s) and 4216.3(a)(1)(A). On December 30, 2021, the Utility submitted a corrective action plan to the SED and is implementing the plan.

LEGISLATIVE AND REGULATORY INITIATIVES

Vaccine Mandates

On September 9, 2021, President Biden issued an executive order that would require certain COVID-19 precautions for government contractors and their subcontractors, including mandatory employee vaccination. The requirements under the executive order are currently stayed in numerous states. The stay applicable to contracts performed in California was lifted as of August 26, 2022. However, it is unclear if or when the federal government intends to implement the executive order in California. The ultimate implementation of the executive order could result in workplace disruptions, employee attrition, and difficulty securing future labor needs.

Assembly Bill 180

On June 30, 2022, the Governor of California signed AB 180, which authorized the California DWR to use up to \$75 million to support contracts with the owners of electric generating facilities pending retirement, such as Diablo Canyon, to fund, reimburse or compensate the owner for any costs, expenses or financial commitments incurred to retain the future availability of such generating facilities pending further legislation.

Assembly Bill 205

On June 30, 2022, the Governor of California signed AB 205, which included authorization for additional incremental CAPP funding of \$958 million for California IOUs to be determined by the California Department of Community Services and Development. The Utility and the community choice aggregators in its territory expect to receive \$219 million to reduce the amounts owed by customer accounts in arrears.

Senate Bill 846

On September 2, 2022, the Governor of California signed SB 846, which supports the extension of operations at Diablo Canyon through no later than 2030, with the potential for an earlier retirement date. Additionally, the State of California has authorized a loan of up to \$1.4 billion pursuant to SB 846 to the Utility from the DWR to support the extension of plant operations, which is in addition to the amount discussed in the AB 180 section, above. SB 846 further directs the Utility to take steps to secure funds from the U.S. DOE's Civil Nuclear Credit program, and any other potentially available federal funding, to repay the loan. The loan may be forgiven under certain circumstances. On October 18, 2022, the Utility executed the loan agreement with DWR.

On September 2, 2022, the Utility applied for federal funding through the U.S. DOE's Civil Nuclear Credit program. SB 846 provides that within 180 days of the filing of the DOE application, the California Energy Commission, in consultation with the CAISO and the CPUC, shall make a determination in a public process of whether the state's electricity forecasts for the calendar years from 2024 through 2030 show potential for reliability deficiencies if Diablo Canyon operation is not extended beyond 2025 and whether extending operations of Diablo Canyon to at least 2030 is prudent to ensure reliability in light of any potential for supply deficiency. The Utility's ARO associated with the decommissioning of Diablo Canyon could be materially impacted if the operations are extended beyond 2025.

During the period prior to extended operations, the bill authorizes a monthly performance-based disbursement equal to \$7 for each megawatt-hour ("MWh") generated by Diablo Canyon. The performance-based disbursement will be paid from the loan proceeds authorized by SB 846 and is contingent upon the Utility's ongoing pursuit of extension of the operating period and continued safe and reliable Diablo Canyon operations. The performance-based disbursement cannot be realized as shareholder profits or paid out as dividends.

During the period of extended operations and in lieu of a rate-based return on investment, the bill provides for a fixed payment of \$50 million, in 2022 dollars, for each of Diablo Canyon's Unit 1 and Unit 2 for each year of extended operations, which is potentially subject to adjustment downward in the event of extended unplanned outages. In addition, the bill authorizes a volumetric payment totaling \$13, in 2022 dollars, for each MWh generated by Diablo Canyon during the period of extended operations. The amount of the fixed and volumetric payments will be adjusted annually by the CPUC using CPUC-approved escalation methodologies and adjustment factors. The volumetric payment cannot be realized as shareholder profits or paid out as dividends, to the extent it is not needed for Diablo Canyon. The legislation includes language that limits use of the volumetric payment to investments in the system and for customers that address critical state priorities.

Senate Bill 884

On September 30, 2022, the Governor of California signed SB 884, which authorizes and expedites OEIS and CPUC review of a 10-year undergrounding plan. Under SB 884, large electrical corporations may submit 10-year plans for undergrounding distribution infrastructure in Tier 2 or 3 high fire threat districts or rebuild areas to OEIS. The plan must include an evaluation of project costs, projected economic benefits over the life of the assets, and any cost-containment assumptions, including the economies of scale necessary to reduce wildfire risk and mitigation costs and establish a sustainable supply chain. OEIS will have up to nine months to review and approve or deny the plan, and then the CPUC will have up to nine months to review and approve or deny the plan, including its costs.

Inflation Reduction Act

On August 16, 2022, the President of the United States signed the Inflation Reduction Act. The Inflation Reduction Act includes a 15% corporate alternative minimum tax ("CAMT") on the adjusted financial statement income ("AFSI") of corporations with average AFSI exceeding \$1 billion over a three-year period, which will become effective January 1, 2023. Many aspects of the Inflation Reduction Act, including the CAMT, remain uncertain and the U.S. Department of the Treasury and the Internal Revenue Service have been granted broad authority to enact regulations implementing its provisions. The law extends and modifies existing tax credits and creates new tax credits for renewable and clean energy sources. PG&E Corporation and the Utility continue to evaluate the impact of the law and its potential implications.

ENVIRONMENTAL MATTERS

The Utility's operations are subject to extensive federal, state, and local laws and permits relating to the protection of the environment and the safety and health of the Utility's personnel and the public. These laws and requirements relate to a broad range of the Utility's activities, including the remediation of hazardous wastes; the reporting and reduction of carbon dioxide and other greenhouse gas emissions; the discharge of pollutants into the air, water, and soil; the reporting of safety and reliability measures for natural gas storage facilities; and the transportation, handling, storage, and disposal of spent nuclear fuel. See "Environmental Remediation Contingencies" in Note 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1 of this Form 10-Q, as well as "Item 1A. Risk Factors" and Note 15 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

RISK MANAGEMENT ACTIVITIES

PG&E Corporation, mainly through its ownership of the Utility, and the Utility are exposed to risks associated with adverse changes in commodity prices, interest rates, and counterparty credit.

The Utility actively manages market risk through risk management programs designed to support business objectives, discourage unauthorized risk-taking, reduce commodity cost volatility, and manage cash flows. The Utility uses derivative instruments only for risk mitigation purposes and not for speculative purposes. The Utility's risk management activities include the use of physical and financial instruments such as forward contracts, futures, swaps, options, and other instruments and agreements, most of which are accounted for as derivative instruments. Some contracts are accounted for as leases. The Utility manages credit risk associated with its counterparties by assigning credit limits based on evaluations of their financial conditions, net worth, credit ratings, and other credit criteria as deemed appropriate. Credit limits and credit quality are monitored periodically. These activities are discussed in detail in the 2021 Form 10-K. There were no significant developments to the Utility's and PG&E Corporation's risk management activities during the nine months ended September 30, 2022.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Condensed Consolidated Financial Statements in accordance with GAAP involves the use of estimates and assumptions that affect the recorded amounts of assets and liabilities as of the date of the Condensed Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. PG&E Corporation and the Utility consider their accounting policies for regulatory assets and liabilities, loss contingencies associated with environmental remediation liabilities and legal and regulatory matters, AROs, contributions to the Wildfire Fund, and pension and other post-retirement benefit plans to be critical accounting policies. These policies are considered critical accounting estimates due, in part, to their complexity and because their application is relevant and material to the financial position and results of operations of PG&E Corporation and the Utility, and because these policies require the use of material judgments and estimates. Actual results may differ materially from these estimates and assumptions. These accounting estimates and their key characteristics are discussed in detail in the 2021 Form 10-K.

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PG&E CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share amounts)

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Revenues				
Electric	\$ 3,895	\$ 4,181	\$ 11,743	\$ 11,527
Natural gas	1,499	1,284	4,567	3,869
Total operating revenues	5,394	5,465	16,310	15,396
Operating Expenses				
Cost of electricity	1,032	1,133	2,314	2,570
Cost of natural gas	257	176	1,177	670
Operating and maintenance	2,250	2,795	7,651	7,714
SB 901 securitization charges, net	—	—	40	—
Wildfire-related claims, net of recoveries	9	94	153	261
Wildfire Fund expense	118	162	353	399
Depreciation, amortization, and decommissioning	1,002	801	2,915	2,540
Total operating expenses	4,668	5,161	14,603	14,154
Operating Income	726	304	1,707	1,242
Interest income	43	—	70	17
Interest expense	(525)	(399)	(1,355)	(1,205)
Other income, net	118	132	246	387
Reorganization items, net	—	—	—	(11)
Income Before Income Taxes	362	37	668	430
Income tax provision (benefit)	(97)	1,125	(629)	994
Net Income (Loss)	459	(1,088)	1,297	(564)
Preferred stock dividend requirement of subsidiary	3	3	10	10
Income (Loss) Attributable to Common Shareholders	\$ 456	\$ (1,091)	\$ 1,287	\$ (574)
Weighted Average Common Shares Outstanding, Basic	1,987	1,985	1,987	1,985
Weighted Average Common Shares Outstanding, Diluted	2,132	1,985	2,132	1,985
Net Income (Loss) Per Common Share, Basic	\$ 0.23	\$ (0.55)	\$ 0.65	\$ (0.29)
Net Income (Loss) Per Common Share, Diluted	\$ 0.21	\$ (0.55)	\$ 0.60	\$ (0.29)

See accompanying Notes to the Condensed Consolidated Financial Statements.

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Income (Loss)	\$ 459	\$ (1,088)	\$ 1,297	\$ (564)
Other Comprehensive Income				
Pension and other post-retirement benefit plans obligations (net of taxes of \$0, \$0, \$0, and \$0, respectively)	—	1	—	2
Net unrealized losses on available-for-sale securities (net of taxes of \$5, \$0, \$7, and \$0, respectively)	(12)	—	(17)	—
Total other comprehensive income (loss)	(12)	1	(17)	2
Comprehensive Income (Loss)	447	(1,087)	1,280	(562)
Preferred stock dividend requirement of subsidiary	3	3	10	10
Comprehensive Income (Loss) Attributable to Common Shareholders	\$ 444	\$ (1,090)	\$ 1,270	\$ (572)

See accompanying Notes to the Condensed Consolidated Financial Statements.

PG&E CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	(Unaudited)	
	Balance At	
	September 30, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 262	\$ 291
Restricted cash (includes \$134 million and \$4 million related to VIEs at respective dates)	145	16
Accounts receivable		
Customers (net of allowance for doubtful accounts of \$192 million and \$171 million at respective dates) (includes \$2.29 billion and \$2.06 billion related to VIEs, net of allowance for doubtful accounts of \$192 million and \$171 million at respective dates)	2,726	2,345
Accrued unbilled revenue (includes \$992 million and \$1.09 billion related to VIEs at respective dates)	1,150	1,207
Regulatory balancing accounts	3,037	2,999
Other	2,261	1,784
Regulatory assets	317	496
Inventories		
Gas stored underground and fuel oil	82	44
Materials and supplies	666	552
Wildfire Fund asset	461	461
Other	1,103	882
Total current assets	12,210	11,077
Property, Plant, and Equipment		
Electric	73,647	69,482
Gas	27,725	25,979
Construction work in progress	4,122	3,479
Financing lease and other	19	20
Total property, plant, and equipment	105,513	98,960
Accumulated depreciation	(30,438)	(29,134)
Net property, plant, and equipment	75,075	69,826
Other Noncurrent Assets		
Regulatory assets	16,448	9,207
Customer credit trust	874	—
Nuclear decommissioning trusts	3,149	3,798
Operating lease right of use asset	1,199	1,234
Wildfire Fund asset	4,967	5,313
Income taxes receivable	9	9
Other (includes noncurrent accounts receivable of \$36 million and \$187 million related to VIEs, net of noncurrent allowance for doubtful accounts of \$3 million and \$15 million at respective dates)	3,081	2,863
Total other noncurrent assets	29,727	22,424
TOTAL ASSETS	\$ 117,012	\$ 103,327

See accompanying Notes to the Condensed Consolidated Financial Statements.

PG&E CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)

	(Unaudited)	
	Balance At	
	September 30, 2022	December 31, 2021
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings	\$ 1,795	\$ 2,184
Long-term debt, classified as current (includes \$128 million and \$18 million related to VIEs at respective dates)	1,030	4,481
Accounts payable		
Trade creditors	2,964	2,855
Regulatory balancing accounts	1,718	1,121
Other	633	679
Operating lease liabilities	328	468
Interest payable (includes \$107 million and \$3 million related to VIEs at respective dates)	439	481
Wildfire-related claims	2,194	2,722
Other	2,926	2,436
Total current liabilities	14,027	17,427
Noncurrent Liabilities		
Long-term debt (includes \$9.54 billion and \$1.82 billion related to VIEs at respective dates)	47,854	38,225
Regulatory liabilities	16,921	11,999
Pension and other postretirement benefits	669	860
Asset retirement obligations	6,223	5,298
Deferred income taxes	3,224	3,177
Operating lease liabilities	996	810
Other	4,612	4,308
Total noncurrent liabilities	80,499	64,677
Equity		
Shareholders' Equity		
Common stock, no par value, authorized 3,600,000,000 and 3,600,000,000 shares at respective dates; 1,987,700,085 and 1,985,400,540 shares outstanding at respective dates	34,164	35,129
Treasury stock, at cost; 377,743,590 and 477,743,590 shares at respective dates	(3,838)	(4,854)
Reinvested earnings	(8,055)	(9,284)
Accumulated other comprehensive loss	(37)	(20)
Total shareholders' equity	22,234	20,971
Noncontrolling Interest - Preferred Stock of Subsidiary	252	252
Total equity	22,486	21,223
TOTAL LIABILITIES AND EQUITY	\$ 117,012	\$ 103,327

See accompanying Notes to the Condensed Consolidated Financial Statements.

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	(Unaudited)	
	Nine Months Ended September 30, 2022	
	2022	2021
Cash Flows from Operating Activities		
Net income (loss)	\$ 1,297	\$ (564)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization, and decommissioning	2,915	2,540
Bad debt expense	126	280
Allowance for equity funds used during construction	(138)	(96)
Deferred income taxes and tax credits, net	53	1,607
Reorganization items, net	—	(71)
Wildfire Fund expense	352	399
Other	541	232
Effect of changes in operating assets and liabilities:		
Accounts receivable	(515)	(158)
Wildfire-related insurance receivable	127	(790)
Inventories	(152)	(5)
Accounts payable	607	242
Wildfire-related claims	(528)	508
Other current assets and liabilities	(551)	(254)
Regulatory assets, liabilities, and balancing accounts, net	(1,239)	(1,174)
Other noncurrent assets and liabilities	(183)	(643)
Net cash provided by operating activities	2,712	2,053
Cash Flows from Investing Activities		
Capital expenditures	(7,411)	(5,468)
Proceeds from sale of SFGO	—	749
Proceeds from sales and maturities of nuclear decommissioning trust investments	2,135	1,176
Purchases of nuclear decommissioning trust investments	(2,129)	(1,187)
Proceeds from sales and maturities of customer credit trust investments	79	—
Purchases of customer credit trust investments	(1,017)	—
Other	25	52
Net cash used in investing activities	(8,318)	(4,678)
Cash Flows from Financing Activities		
Borrowings under credit facilities	7,325	6,687
Repayments under credit facilities	(7,364)	(7,772)
Proceeds from issuance of long-term debt, net of premium, discount and issuance costs of \$35 and \$47 at respective dates	4,265	3,171
Repayments of long-term debt	(5,980)	(21)
Proceeds from issuance of SB 901 recovery bonds, net of financing fees of \$36 and \$0 at respective dates	7,464	—
Proceeds from sale of future revenue from transmission tower license sales, net of fees	—	370
Other	(4)	(6)
Net cash provided by financing activities	5,706	2,429
Net change in cash, cash equivalents, and restricted cash	100	(196)

Cash, cash equivalents, and restricted cash at January 1	307	627
Cash, cash equivalents, and restricted cash at September 30	\$ 407	\$ 431
Less: Restricted cash and restricted cash equivalents	(145)	(11)
Cash and cash equivalents at September 30	\$ 262	\$ 420

Supplemental disclosures of cash flow information

Cash received (paid) for:		
Interest, net of amounts capitalized	\$ (1,295)	\$ (1,229)
Income taxes, net	—	12

Supplemental disclosures of noncash investing and financing activities

Capital expenditures financed through accounts payable	\$ 1,177	\$ 963
Operating lease liabilities arising from obtaining ROU assets	397	47
Increase to PG&E Corporation common stock and treasury stock in connection with the Share Exchange and Tax Matters Agreement	—	4,854

See accompanying Notes to the Condensed Consolidated Financial Statements.

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(in millions, except share amounts)

	Common Stock		Treasury Stock		Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity	Non-controlling Interest - Preferred Stock of Subsidiary	Total Equity
	Shares	Amount	Shares	Amount					
Balance at December 31, 2021	1,985,400,540	\$ 35,129	477,743,590	\$ (4,854)	\$ (9,284)	\$ (20)	\$ 20,971	\$ 252	\$ 21,223
Net income	—	—	—	—	478	—	478	—	478
Common stock issued, net	2,072,050	(407)	—	—	—	—	(407)	—	(407)
Treasury stock disposition	—	—	(40,000,000)	407	—	—	407	—	407
Stock-based compensation amortization	—	4	—	—	—	—	4	—	4
Preferred stock dividend requirement of subsidiary in arrears	—	—	—	—	(59)	—	(59)	—	(59)
Preferred stock dividend requirement of subsidiary	—	—	—	—	(2)	—	(2)	—	(2)
Balance at March 31, 2022	1,987,472,590	34,726	437,743,590	(4,447)	(8,867)	(20)	21,392	252	21,644
Net income	—	—	—	—	360	—	360	—	360
Other comprehensive loss	—	—	—	—	—	(5)	(5)	—	(5)
Common stock issued, net	195,630	(609)	—	—	—	—	(609)	—	(609)
Treasury stock disposition	—	—	(60,000,000)	609	—	—	609	—	609
Stock-based compensation amortization	—	24	—	—	—	—	24	—	24
Preferred stock dividend requirement of subsidiary	—	—	—	—	(4)	—	(4)	—	(4)
Balance at June 30, 2022	1,987,668,220	34,141	377,743,590	(3,838)	(8,511)	(25)	21,767	252	22,019
Net income	—	—	—	—	459	—	459	—	459
Other comprehensive loss	—	—	—	—	—	(12)	(12)	—	(12)
Common stock issued, net	31,865	—	—	—	—	—	—	—	—
Stock-based compensation amortization	—	23	—	—	—	—	23	—	23
Preferred stock dividend requirement of subsidiary	—	—	—	—	(3)	—	(3)	—	(3)
Balance at September 30, 2022	1,987,700,085	\$ 34,164	377,743,590	\$ (3,838)	\$ (8,055)	\$ (37)	\$ 22,234	\$ 252	\$ 22,486

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(in millions, except share amounts)

	Common Stock		Treasury Stock		Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity	Non-controlling Interest - Preferred Stock of Subsidiary	Total Equity
	Shares	Amount	Shares	Amount					
Balance at December 31, 2020	1,984,678,673	\$ 30,224	—	\$ —	\$ (9,196)	\$ (27)	\$ 21,001	\$ 252	\$ 21,253
Net income	—	—	—	—	123	—	123	—	123
Other comprehensive income	—	—	—	—	—	1	1	—	1
Common stock issued, net	427,030	—	—	—	—	—	—	—	—
Stock-based compensation amortization	—	2	—	—	—	—	2	—	2
Balance at March 31, 2021	1,985,105,703	30,226	—	—	(9,073)	(26)	21,127	252	21,379
Net income	—	—	—	—	401	—	401	—	401
Other comprehensive income	—	—	—	—	—	—	—	—	—
Common stock issued, net	167,345	—	—	—	—	—	—	—	—
Stock-based compensation amortization	—	19	—	—	—	—	19	—	19
Balance at June 30, 2021	1,985,273,048	\$ 30,245	—	\$ —	\$ (8,672)	\$ (26)	\$ 21,547	\$ 252	\$ 21,799
Net loss	—	—	—	—	(1,088)	—	(1,088)	—	(1,088)
Other comprehensive income	—	—	—	—	—	1	1	—	1
Common stock issued, net	96,153	4,854	—	—	—	—	4,854	—	4,854
Treasury stock acquired	—	—	477,743,590	(4,854)	—	—	(4,854)	—	(4,854)
Stock-based compensation amortization	—	15	—	—	—	—	15	—	15
Balance at September 30, 2021	1,985,369,201	\$ 35,114	477,743,590	\$ (4,854)	\$ (9,760)	\$ (25)	\$ 20,475	\$ 252	\$ 20,727

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions)

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Revenues				
Electric	\$ 3,895	\$ 4,181	\$ 11,743	\$ 11,527
Natural gas	1,499	1,284	4,567	3,869
Total operating revenues	5,394	5,465	16,310	15,396
Operating Expenses				
Cost of electricity	1,032	1,133	2,314	2,570
Cost of natural gas	257	176	1,177	670
Operating and maintenance	2,248	2,793	7,565	7,705
SB 901 securitization charges, net	—	—	40	—
Wildfire-related claims, net of recoveries	9	94	153	261
Wildfire Fund expense	118	162	353	399
Depreciation, amortization, and decommissioning	1,002	801	2,915	2,540
Total operating expenses	4,666	5,159	14,517	14,145
Operating Income	728	306	1,793	1,251
Interest income	42	—	71	17
Interest expense	(458)	(342)	(1,175)	(1,032)
Other income, net	127	133	415	390
Reorganization items, net	—	—	—	(12)
Income Before Income Taxes	439	97	1,104	614
Income tax provision (benefit)	(51)	1,139	(516)	1,039
Net Income (Loss)	490	(1,042)	1,620	(425)
Preferred stock dividend requirement	3	3	10	10
Income (Loss) Attributable to Common Stock	\$ 487	\$ (1,045)	\$ 1,610	\$ (435)

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Income (Loss)	\$ 490	\$ (1,042)	\$ 1,620	\$ (425)
Other Comprehensive Income				
Pension and other post-retirement benefit plans obligations (net of taxes of \$0, \$0, \$0, and \$0, respectively)	—	—	1	—
Net unrealized losses on available-for-sale securities (net of taxes of \$5, \$0, \$7, and \$0, respectively)	(12)	—	(17)	—
Total other comprehensive loss	(12)	—	(16)	—
Comprehensive Income (Loss)	\$ 478	\$ (1,042)	\$ 1,604	\$ (425)

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	(Unaudited)	
	Balance At	
	September 30, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 107	\$ 165
Restricted cash (includes \$134 million and \$4 million related to VIEs at respective dates)	145	16
Accounts receivable		
Customers (net of allowance for doubtful accounts of \$192 million and \$171 million at respective dates) (includes \$2.29 billion and \$2.06 billion related to VIEs, net of allowance for doubtful accounts of \$192 million and \$171 million at respective dates)	2,726	2,345
Accrued unbilled revenue (includes \$992 million and \$1.09 billion related to VIEs at respective dates)	1,150	1,207
Regulatory balancing accounts	3,037	2,999
Other	1,991	1,932
Regulatory assets	317	496
Inventories		
Gas stored underground and fuel oil	82	44
Materials and supplies	666	552
Wildfire Fund asset	461	461
Other	1,091	869
Total current assets	11,773	11,086
Property, Plant, and Equipment		
Electric	73,647	69,482
Gas	27,725	25,979
Construction work in progress	4,122	3,480
Financing lease	18	18
Total property, plant, and equipment	105,512	98,959
Accumulated depreciation	(30,438)	(29,131)
Net property, plant, and equipment	75,074	69,828
Other Noncurrent Assets		
Regulatory assets	16,448	9,207
Customer credit trust	874	—
Nuclear decommissioning trusts	3,149	3,798
Operating lease right of use asset	1,199	1,232
Wildfire Fund asset	4,967	5,313
Income taxes receivable	7	7
Other (includes noncurrent accounts receivable of \$36 million and \$187 million related to VIEs, net of noncurrent allowance for doubtful accounts of \$3 million and \$15 million at respective dates)	2,948	2,706
Total other noncurrent assets	29,592	22,263
TOTAL ASSETS	\$ 116,439	\$ 103,177

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)

	(Unaudited)	
	Balance At	
	September 30, 2022	December 31, 2021
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 1,795	\$ 2,184
Long-term debt, classified as current (includes \$128 million and \$18 million related to VIEs at respective dates)	1,003	4,455
Accounts payable		
Trade creditors	2,962	2,853
Regulatory balancing accounts	1,718	1,121
Other	590	648
Operating lease liabilities	327	467
Interest payable (includes \$107 million and \$3 million related to VIEs at respective dates)	413	430
Wildfire-related claims	2,194	2,722
Other	2,506	2,430
Total current liabilities	13,508	17,310
Noncurrent Liabilities		
Long-term debt (includes \$9.54 billion and \$1.82 billion related to VIEs at respective dates)	43,265	33,632
Regulatory liabilities	16,921	11,999
Pension and other postretirement benefits	575	764
Asset retirement obligations	6,223	5,298
Deferred income taxes	3,568	3,409
Operating lease liabilities	996	810
Other	4,660	4,345
Total noncurrent liabilities	76,208	60,257
Shareholders' Equity		
Preferred stock	258	258
Common stock, \$5 par value, authorized 800,000,000 shares; 264,374,809 shares outstanding at respective dates	1,322	1,322
Additional paid-in capital	28,713	28,286
Reinvested earnings	(3,545)	(4,247)
Accumulated other comprehensive loss	(25)	(9)
Total shareholders' equity	26,723	25,610
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 116,439	\$ 103,177

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	(Unaudited)	
	Nine Months Ended September 30, 2022	
	2022	2021
Cash Flows from Operating Activities		
Net income (loss)	\$ 1,620	\$ (425)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization, and decommissioning	2,915	2,540
Bad debt expense	126	280
Allowance for equity funds used during construction	(138)	(96)
Deferred income taxes and tax credits, net	165	1,651
Reorganization items, net	—	(38)
Wildfire Fund expense	352	399
Other	332	180
Effect of changes in operating assets and liabilities:		
Accounts receivable	(514)	(154)
Wildfire-related insurance receivable	127	(790)
Inventories	(152)	(5)
Accounts payable	595	206
Wildfire-related claims	(528)	508
Other current assets and liabilities	(524)	(220)
Regulatory assets, liabilities, and balancing accounts, net	(1,239)	(1,174)
Other noncurrent assets and liabilities	(197)	(642)
Net cash provided by operating activities	2,940	2,220
Cash Flows from Investing Activities		
Capital expenditures	(7,411)	(5,468)
Proceeds from sale of SFGO	—	749
Proceeds from sales and maturities of nuclear decommissioning trust investments	2,135	1,176
Purchases of nuclear decommissioning trust investments	(2,129)	(1,187)
Proceeds from sales and maturities of customer credit trust investments	79	—
Purchases of customer credit trust investments	(1,017)	—
Intercompany note to PG&E Corporation	145	(145)
Other	25	52
Net cash used in investing activities	(8,173)	(4,823)
Cash Flows from Financing Activities		
Borrowings under credit facilities	7,325	6,687
Repayments under credit facilities	(7,364)	(7,772)

Proceeds from issuance of long-term debt, net of premium, discount and issuance costs of \$35 and \$47 at respective dates	4,265	3,171
Repayments of long-term debt	(5,959)	—
Proceeds from issuance of SB 901 recovery bonds, net of financing fees of \$36 and \$0 at respective dates	7,464	—
Proceeds from sale of future revenue from transmission tower license sales, net of fees	—	370
Preferred stock dividends paid	(66)	—
Common stock dividends paid	(850)	—
Equity contribution from PG&E Corporation	427	—
Other	62	23
Net cash provided by financing activities	5,304	2,479
Net change in cash, cash equivalents, and restricted cash	71	(124)
Cash, cash equivalents, and restricted cash at January 1	181	404
Cash, cash equivalents, and restricted cash at September 30	\$ 252	\$ 280
Less: Restricted cash and restricted cash equivalents	(145)	(11)
Cash and cash equivalents at September 30	\$ 107	\$ 269

Supplemental disclosures of cash flow information

Cash received (paid) for:		
Interest, net of amounts capitalized	\$ (1,100)	\$ (1,046)
Income taxes, net	—	12

Supplemental disclosures of noncash investing and financing activities

Capital expenditures financed through accounts payable	\$ 1,177	\$ 963
Operating lease liabilities arising from obtaining ROU assets	397	47

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions)

	Preferred Stock	Common Stock	Additional Paid-in Capital	Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2021	\$ 258	\$ 1,322	\$ 28,286	\$ (4,247)	\$ (9)	\$ 25,610
Net income	—	—	—	530	—	530
Other comprehensive income	—	—	—	—	1	1
Preferred stock dividend requirement in arrears	—	—	—	(59)	—	(59)
Preferred stock dividend requirement	—	—	—	(2)	—	(2)
Balance at March 31, 2022	258	1,322	28,286	(3,778)	(8)	26,080
Net income	—	—	—	600	—	600
Other comprehensive loss	—	—	—	—	(5)	(5)
Equity Contribution	—	—	212	—	—	212
Preferred stock dividend requirement	—	—	—	(4)	—	(4)
Common stock dividend	—	—	—	(425)	—	(425)
Balance at June 30, 2022	258	1,322	28,498	(3,607)	(13)	26,458
Net income	—	—	—	490	—	490
Other comprehensive loss	—	—	—	—	(12)	(12)
Equity Contribution	—	—	215	—	—	215
Preferred stock dividend requirement	—	—	—	(3)	—	(3)
Common stock dividend	—	—	—	(425)	—	(425)
Balance at September 30, 2022	\$ 258	\$ 1,322	\$ 28,713	\$ (3,545)	\$ (25)	\$ 26,723

	Preferred Stock	Common Stock	Additional Paid-in Capital	Reinvested Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2020	\$ 258	\$ 1,322	\$ 28,286	\$ (4,385)	\$ (5)	\$ 25,476
Net income	—	—	—	177	—	177
Balance at March 31, 2021	258	1,322	28,286	(4,208)	(5)	25,653
Net income	—	—	—	440	—	440
Balance at June 30, 2021	\$ 258	\$ 1,322	\$ 28,286	\$ (3,768)	\$ (5)	\$ 26,093
Net loss	—	—	—	(1,042)	—	(1,042)
Balance at September 30, 2021	\$ 258	\$ 1,322	\$ 28,286	\$ (4,810)	\$ (5)	\$ 25,051

See accompanying Notes to the Condensed Consolidated Financial Statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION AND BASIS OF PRESENTATION

Organization and Basis of Presentation

PG&E Corporation is a holding company whose primary operating subsidiary is Pacific Gas and Electric Company, a public utility serving northern and central California. The Utility generates revenues mainly through the sale and delivery of electricity and natural gas to customers. The Utility is primarily regulated by the CPUC and the FERC. In addition, the NRC oversees the licensing, construction, operation, and decommissioning of the Utility's nuclear generation facilities.

This quarterly report on Form 10-Q is a combined report of PG&E Corporation and the Utility. PG&E Corporation's Condensed Consolidated Financial Statements include the accounts of PG&E Corporation, the Utility, and other wholly owned and controlled subsidiaries. The Utility's Condensed Consolidated Financial Statements include the accounts of the Utility and its wholly owned and controlled subsidiaries. All intercompany transactions have been eliminated in consolidation. The Notes to the Condensed Consolidated Financial Statements apply to both PG&E Corporation and the Utility. PG&E Corporation and the Utility assess financial performance and allocate resources on a consolidated basis (i.e., the companies operate in one segment).

The accompanying Condensed Consolidated Financial Statements have been prepared in conformity with GAAP and in accordance with the interim period reporting requirements of Form 10-Q and reflect all adjustments that management believes are necessary for the fair presentation of PG&E Corporation's and the Utility's financial condition, results of operations, and cash flows for the periods presented. The information at December 31, 2021 in the Condensed Consolidated Balance Sheets included in this Form 10-Q was derived from the audited Consolidated Balance Sheets in Item 8 of the 2021 Form 10-K. This Form 10-Q should be read in conjunction with the 2021 Form 10-K.

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Some of the more significant estimates and assumptions relate to the Utility's regulatory assets and liabilities, wildfire-related liabilities, legal and regulatory contingencies, the Wildfire Fund, environmental remediation liabilities, AROs, wildfire-related receivables, and pension and other post-retirement benefit plan obligations. Management believes that its estimates and assumptions reflected in the Condensed Consolidated Financial Statements are appropriate and reasonable. A change in management's estimates or assumptions could result in an adjustment that would have a material impact on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows during the period in which such change occurred.

NOTE 2: BANKRUPTCY FILING

Chapter 11 Proceedings

On January 29, 2019, PG&E Corporation and the Utility commenced the Chapter 11 Cases with the Bankruptcy Court. Prior to the Emergence Date, PG&E Corporation and the Utility continued to operate their business as debtors-in-possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

On June 20, 2020, the Bankruptcy Court entered the Confirmation Order confirming the Plan filed on June 19, 2020. PG&E Corporation and the Utility emerged from Chapter 11 on the Emergence Date of July 1, 2020. Certain parties filed notices of appeal with respect to the Confirmation Order, including that the Ad Hoc Committee of Holders of Trade Claims (the “Trade Committee”) appealed the Confirmation Order’s holding awarding post-petition interest on general unsecured claims at the federal judgment rate, which is 2.59%. The Trade Committee is seeking for its members to receive post-petition interest at the rates specified under their contracts or the rate established under California state law, which is 10%. The Bankruptcy Court and the federal district court held that the Trade Committee’s members are entitled to post-petition interest at the federal judgment rate. On June 8, 2021, the Trade Committee appealed the federal district court decision to the Ninth Circuit Court of Appeals. On August 29, 2022, a three-judge panel of the Ninth Circuit Court of Appeals reversed the federal district court decision 2-1. On September 12, 2022, the Utility filed a petition for *en banc* review, which was denied on October 5, 2022. The Utility plans to file a petition for a writ of certiorari to the Supreme Court. PG&E Corporation and the Utility believe it is probable that they will incur a loss in connection with the post-petition interest matter, but the amount of that loss is not reasonably estimable at this time. If the Ninth Circuit Court of Appeals decision is not reversed, then the matter would be remanded to the Bankruptcy Court to evaluate the rate of interest for each individual contract, the conditions under which the contract rate applies, and whether payment of interest under state law would be warranted for each contract and claimant. These proceedings therefore will require extensive discovery and motion practice before the Bankruptcy Court with respect to each of these claims on a variety of contractual issues and equitable considerations. PG&E Corporation and the Utility are unable to predict the timing and outcome of these proceedings or any further appeals.

Except as otherwise set forth in the Plan, the Confirmation Order or another order of the Bankruptcy Court, substantially all pre-petition liabilities were discharged under the Plan.

Unresolved Chapter 11 Claims

PG&E Corporation and the Utility have received over 100,000 proofs of claim since January 29, 2019, of which approximately 80,000 were channeled to a trust for the benefit of holders of certain subrogation claims (the “Subrogation Wildfire Trust”) and the Fire Victim Trust. The claims channeled to the Subrogation Wildfire Trust and Fire Victim Trust will be resolved by such trusts, and PG&E Corporation and the Utility have no further liability in connection with such claims. PG&E Corporation and the Utility continue their review and analysis of certain remaining claims, including asserted litigation claims, trade creditor claims, along with other tax and regulatory claims, and therefore the ultimate liability of PG&E Corporation or the Utility for such claims may differ from the amounts asserted in such claims. Allowed claims are paid in accordance with the Plan and the Confirmation Order. Amounts expected to be allowed are reflected as current liabilities in the Condensed Consolidated Balance Sheets.

Holders of certain claims may assert that they are entitled under the Plan or the Bankruptcy Code to pursue, or continue to pursue, their claims against PG&E Corporation and the Utility on or after the Emergence Date, including claims arising from or relating to indemnification or contribution claims, including with respect to the wildfire that began on November 8, 2018 near the city of Paradise, Butte County, California (the “2018 Camp fire”), the 2017 Northern California wildfires, and the wildfire that began September 9, 2015 in Amador and Calaveras counties in Northern California (the “2015 Butte fire”).

In addition, Subordinated Debt Claims and HoldCo Rescission or Damage Claims (each as defined in Note 11 below) continue to be pursued against PG&E Corporation and the Utility in the claims reconciliation process in the Bankruptcy Court, and claims against certain former directors and current and former officers, as well as certain underwriters, are being pursued in the purported securities class action that is further described in Note 11 under the heading “Securities Class Action Litigation.”

In addition to filing objections in the Bankruptcy Court to claims that were subject to certain defenses which allowed PG&E Corporation and the Utility to file objections expunging those claims on an omnibus basis, PG&E Corporation and the Utility are working to resolve disputed claims, including Subordinated Debt Claims and HoldCo Rescission or Damage Claims. By order of the Bankruptcy Court, the current deadline for PG&E Corporation and the Utility to object to claims is December 19, 2022. On October 25, 2022, PG&E Corporation and the Utility filed a motion requesting entry of an order further extending the deadline to object to claims to September 15, 2023.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Revenue from Contracts with Customers

The Utility recognizes revenues when electricity and natural gas services are delivered. The Utility records unbilled revenues for the estimated amount of energy delivered to customers but not yet billed at the end of the period. Unbilled revenues are included in accounts receivable on the Condensed Consolidated Balance Sheets. Rates charged to customers are based on CPUC and FERC authorized revenue requirements. Revenues can vary significantly from period to period because of seasonality, weather, and customer usage patterns.

Regulatory Balancing Account Revenue

The CPUC authorizes most of the Utility's revenues in the Utility's GRCs, which occur every four years. CPUC and FERC rates decouple authorized revenue from the volume of electricity and natural gas sales, so the Utility receives revenue equal to the amounts authorized by the relevant regulatory agencies. As a result, the volume of electricity and natural gas sold does not have a direct impact on PG&E Corporation's and the Utility's financial results. The Utility recognizes revenues that have been authorized for rate recovery, are objectively determinable and probable of recovery, and are expected to be collected within 24 months. Generally, electric and natural gas operating revenue is recognized ratably over the year. The Utility records a balancing account asset or liability for differences between customer billings and authorized revenue requirements that are probable of recovery or refund.

The Utility also collects additional revenue requirements to recover costs that the CPUC has authorized the Utility to pass on to customers, including costs to purchase electricity and natural gas, and to fund public purpose, demand response, and customer energy efficiency programs. In general, the revenue recognition criteria for pass-through costs billed to customers are met at the time the costs are incurred. The Utility records a regulatory balancing account asset or liability for differences between incurred costs and customer billings or authorized revenue meant to recover those costs, to the extent that these differences are probable of recovery or refund. As a result, these differences have no impact on net income.

The following table presents the Utility's revenues disaggregated by type of customer:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Electric				
Revenue from contracts with customers				
Residential	\$ 2,128	\$ 1,962	\$ 4,834	\$ 4,778
Commercial	1,711	1,580	4,135	3,776
Industrial	534	467	1,206	1,099
Agricultural	777	655	1,477	1,238
Public street and highway lighting	20	18	57	53
Other ⁽¹⁾	115	(52)	26	169
Total revenue from contracts with customers - electric	5,285	4,630	11,735	11,113
Regulatory balancing accounts ⁽²⁾	(1,390)	(449)	8	414
Total electric operating revenue	\$ 3,895	\$ 4,181	\$ 11,743	\$ 11,527
Natural gas				
Revenue from contracts with customers				
Residential	\$ 392	\$ 295	\$ 2,243	\$ 1,921
Commercial	162	102	703	486
Transportation service only	356	323	1,111	995
Other ⁽¹⁾	16	16	(251)	(168)
Total revenue from contracts with customers - gas	926	736	3,806	3,234
Regulatory balancing accounts ⁽²⁾	573	548	761	635
Total natural gas operating revenue	1,499	1,284	4,567	3,869
Total operating revenues	\$ 5,394	\$ 5,465	\$ 16,310	\$ 15,396

⁽¹⁾ This activity is primarily related to the change in unbilled revenue and amounts subject to refund, partially offset by other miscellaneous revenue items.

⁽²⁾ These amounts represent revenues authorized to be billed or refunded to customers.

Variable Interest Entities

A VIE is an entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support from other parties, or whose equity investors lack any characteristics of a controlling financial interest. An enterprise that has a controlling financial interest in a VIE is a primary beneficiary and is required to consolidate the VIE.

Consolidated VIEs

Receivables Securitization Program

The SPV was created in connection with the Receivables Securitization Program and is a bankruptcy remote, limited liability company wholly owned by the Utility, and its assets are not available to creditors of PG&E Corporation or the Utility. Pursuant to the Receivables Securitization Program, the Utility sells certain of its receivables and certain related rights to payment and obligations of the Utility with respect to such receivables, and certain other related rights to the SPV, which, in turn, obtains loans secured by the receivables from financial institutions (the "Lenders"). The pledged receivables and the corresponding debt are included in Accounts receivable, Other noncurrent assets, and Long-term debt, respectively, on the Condensed Consolidated Balance Sheets.

The SPV is considered a VIE because its equity capitalization is insufficient to support its activities. The most significant activities that impact the economic performance of the SPV are decisions made to manage receivables. The Utility is considered the primary beneficiary and consolidates the SPV as it makes these decisions. No additional financial support was provided to the SPV during the nine months ended September 30, 2022 or is expected to be provided in the future that was not previously contractually required. As of September 30, 2022 and December 31, 2021, the SPV had net accounts receivable of \$3.3 billion, and outstanding borrowings of \$1.3 billion and \$974 million, respectively, under the Receivables Securitization Program. For more information, see Note 5 below.

AB 1054 Securitization

PG&E Recovery Funding LLC is a bankruptcy remote, limited liability company wholly owned by the Utility, and its assets are not available to creditors of PG&E Corporation or the Utility. Pursuant to the financing order for the first AB 1054 securitization transaction, the Utility sold its right to receive revenues from the non-bypassable wildfire hardening fixed recovery charge (“Recovery Property”) to PG&E Recovery Funding LLC, which, in turn, issued recovery bonds secured by the Recovery Property. On November 12, 2021, PG&E Recovery Funding LLC issued approximately \$860 million of senior secured recovery bonds. The recovery bonds were issued in three tranches: (1) approximately \$266 million with an interest rate of 1.46% and is due July 15, 2033, (2) approximately \$160 million with an interest rate of 2.28% and is due January 15, 2038, and (3) approximately \$434 million with an interest rate of 2.82% and is due July 15, 2048. The recovery bonds are scheduled to pay principal and interest semi-annually on January 15 and July 15 of each year. The final scheduled payment date is July 15, 2046. Amounts owed to bondholders are included in Long-term debt and Long-term debt, classified as current, on the Condensed Consolidated Balance Sheets.

PG&E Recovery Funding LLC is considered a VIE because its equity capitalization is insufficient to support its operations. The most significant activities that impact the economic performance of PG&E Recovery Funding LLC are decisions made by the servicer of the Recovery Property. The Utility is considered the primary beneficiary and consolidates PG&E Recovery Funding LLC as it acts in this role as servicer. No additional financial support was provided to PG&E Recovery Funding LLC during the nine months ended September 30, 2022 or is expected to be provided in the future that was not previously contractually required. As of September 30, 2022 and December 31, 2021, PG&E Recovery Funding LLC had outstanding borrowings of \$842 million and \$860 million, respectively.

SB 901 Securitization

PG&E Wildfire Recovery Funding LLC is a bankruptcy remote, limited liability company wholly owned by the Utility, and its assets are not available to creditors of PG&E Corporation or the Utility. Pursuant to the financing order for the SB 901 securitization transaction, the Utility sold its right to receive revenues from the non-bypassable fixed recovery charge (“SB 901 Recovery Property”) to PG&E Wildfire Recovery Funding LLC, which, in turn, issued recovery bonds secured by the SB 901 Recovery Property.

PG&E Wildfire Recovery Funding LLC is considered a VIE because its equity capitalization is insufficient to support its operations. The most significant activities that impact the economic performance of PG&E Wildfire Recovery Funding LLC are decisions made by the servicer of the SB 901 Recovery Property. The Utility is considered the primary beneficiary and consolidates PG&E Wildfire Recovery Funding LLC as it acts in this role as servicer. No additional financial support was provided to PG&E Wildfire Recovery Funding LLC during the nine months ended September 30, 2022 or is expected to be provided in the future that was not previously contractually required. On May 10, 2022, PG&E Wildfire Recovery Funding LLC issued \$3.6 billion aggregate principal amount of senior secured recovery bonds (the “Series 2022-A Recovery Bonds”). On July 20, 2022, PG&E Wildfire Recovery Funding LLC issued \$3.9 billion aggregate principal amount of senior secured recovery bonds (the “Series 2022-B Recovery Bonds”). As of September 30, 2022, PG&E Wildfire Recovery Funding LLC had outstanding borrowings of \$7.5 billion. For more information, see Note 6 below.

Non-Consolidated VIEs

Some of the counterparties to the Utility's power purchase agreements are considered VIEs. Each of these VIEs was designed to own a power plant that would generate electricity for sale to the Utility. To determine whether the Utility was the primary beneficiary of any of these VIEs as of September 30, 2022, it assessed whether it absorbs any of the VIE's expected losses or receives any portion of the VIE's expected residual returns under the terms of the power purchase agreement, analyzed the variability in the VIE's gross margin, and considered whether it had any decision-making rights associated with the activities that are most significant to the VIE's performance, such as dispatch rights and operating and maintenance activities. The Utility's financial obligation is limited to the amount the Utility pays for delivered electricity and capacity. The Utility did not have any decision-making rights associated with any of the activities that are most significant to the economic performance of any of these VIEs. Since the Utility was not the primary beneficiary of any of these VIEs as of September 30, 2022, it did not consolidate any of them.

Contributions to the Wildfire Fund Established Pursuant to AB 1054

PG&E Corporation and the Utility account for contributions to the Wildfire Fund by capitalizing an asset, amortizing to periods ratably based on an estimated period of coverage, and incrementally adjusting for accelerated amortization as the level of coverage declines, as further described below. However, AB 1054 did not specify a period of coverage for the Wildfire Fund; therefore, this accounting treatment is subject to significant accounting judgments and estimates. Since the inception of the Wildfire Fund, PG&E Corporation and the Utility have estimated a period of coverage of 15 years. In estimating that initial period of coverage, PG&E Corporation and the Utility started in 2019 with a dataset of 12 years of historical, publicly available fire-loss data for the period from 2007 to 2018 for wildfires caused by electrical equipment to create Monte Carlo simulations of expected loss. For each year after 2019, PG&E Corporation and the Utility added the fire-loss data for the preceding year to the dataset. The number of years of historic fire-loss data and the effectiveness of mitigation efforts by the California electric utility companies are significant assumptions used to estimate the period of coverage. Other assumptions include the estimated costs to settle wildfire claims for participating electric utilities including the Utility, the CPUC's determinations of whether costs were just and reasonable in cases of electric utility-caused wildfires and amounts required to be reimbursed to the Wildfire Fund, the impacts of climate change, the amount of future insurance coverage held by the electric utilities, the FERC-allocable portion of loss recovery, and the future transmission and distribution equity rate base growth of participating electric utilities. These assumptions create a high degree of uncertainty for the estimated useful life of the Wildfire Fund.

PG&E Corporation and the Utility evaluate and, where appropriate, update all assumptions quarterly. Changes in any of the assumptions could materially impact the estimated period of coverage. PG&E Corporation and the Utility assess the Wildfire Fund asset for acceleration of the amortization of the asset in the event that it is probable that a participating utility's electrical equipment will be found to be the substantial cause of a catastrophic wildfire. In the first quarter of 2022, PG&E Corporation and the Utility updated assumptions related to the mitigation effectiveness and historical fire loss dataset to align with the 2022 WMP. These updates did not change the estimated period of coverage, which continues to be 15 years from the inception of the Wildfire Fund.

As of September 30, 2022, PG&E Corporation and the Utility recorded \$193 million in Other current liabilities, \$1.1 billion in Other non-current liabilities, \$461 million in Current assets - Wildfire Fund asset, and \$5.0 billion in Non-current assets - Wildfire Fund asset in the Condensed Consolidated Balance Sheets. During the three months ended September 30, 2022 and 2021, the Utility recorded amortization and accretion expense of \$118 million and \$162 million, respectively. During the nine months ended September 30, 2022 and 2021, the Utility recorded amortization and accretion expense of \$353 million and \$399 million, respectively. The amortization of the asset, accretion of the liability, and applicable acceleration of the amortization of the asset is reflected in Wildfire Fund expense in the Condensed Consolidated Statements of Income. As of September 30, 2022, PG&E Corporation and the Utility had recorded \$150 million in Other noncurrent assets for Wildfire Fund receivables related to the 2021 Dixie fire.

For more information, see Note 3 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K and "Wildfire Fund under AB 1054" in Note 11 below.

Pension and Other Post-Retirement Benefits

PG&E Corporation and the Utility sponsor a non-contributory defined benefit pension plan and cash balance plan. Both plans are included in "Pension Benefits" below. Post-retirement medical and life insurance plans are included in "Other Benefits" below.

The net periodic benefit costs reflected in PG&E Corporation's Condensed Consolidated Financial Statements for the three and nine months ended September 30, 2022 and 2021 were as follows:

	Pension Benefits		Other Benefits	
	Three Months Ended September 30,			
(in millions)	2022	2021	2022	2021
Service cost for benefits earned ⁽¹⁾	\$ 144	\$ 147	\$ 15	\$ 15
Interest cost	173	161	13	13
Expected return on plan assets	(297)	(261)	(32)	(33)
Amortization of prior service cost	(1)	(1)	2	3
Amortization of net actuarial (gain) loss	—	1	(10)	(8)
Net periodic benefit cost	19	47	(12)	(10)
Regulatory account transfer ⁽²⁾	64	37	—	—
Total	\$ 83	\$ 84	\$ (12)	\$ (10)

⁽¹⁾ A portion of service costs is capitalized pursuant to GAAP.

⁽²⁾ The Utility recorded these amounts to a regulatory account since they are probable of recovery from, or refund to, customers in future rates.

(in millions)	Pension Benefits		Other Benefits	
	Nine Months Ended September 30,			
	2022	2021	2022	2021
Service cost for benefits earned ⁽¹⁾	\$ 432	\$ 440	\$ 46	\$ 47
Interest cost	519	484	40	39
Expected return on plan assets	(892)	(784)	(97)	(103)
Amortization of prior service cost	(3)	(4)	5	10
Amortization of net actuarial (gain) loss	1	4	(30)	(24)
Net periodic benefit cost	57	140	(36)	(31)
Regulatory account transfer ⁽²⁾	191	111	—	—
Total	\$ 248	\$ 251	\$ (36)	\$ (31)

⁽¹⁾ A portion of service costs is capitalized pursuant to GAAP.

⁽²⁾ The Utility recorded these amounts to a regulatory account since they are probable of recovery from, or refund to, customers in future rates.

Non-service costs are reflected in Other income, net on the Condensed Consolidated Statements of Income. Service costs are reflected in Operating and maintenance on the Condensed Consolidated Statements of Income.

There was no material difference between PG&E Corporation and the Utility for the information disclosed above.

Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income (Loss)

The changes, net of income tax, in PG&E Corporation's accumulated other comprehensive income (loss) consisted of the following:

	Pension Benefits	Other Benefits	Customer Credit Trust	Total
(in millions, net of income tax)	Three Months Ended September 30, 2022			
Beginning balance	\$ (33)	\$ 18	\$ (5)	\$ (20)
Other comprehensive income before reclassification				
Loss on investments (net of taxes of \$0, \$0 and \$5, respectively)	—	—	(12)	(12)
Amounts reclassified from other comprehensive income: ⁽¹⁾				
Amortization of prior service cost (net of taxes of \$1, \$0 and \$0, respectively)	—	2	—	2
Amortization of net actuarial gain (net of taxes of \$0, \$2 and \$0, respectively)	—	(8)	—	(8)
Regulatory account transfer (net of taxes of \$1, \$2 and \$0, respectively)	—	6	—	6
Net current period other comprehensive loss	—	—	(12)	(12)
Ending balance	\$ (33)	\$ 18	\$ (17)	\$ (32)

⁽¹⁾ These components are included in the computation of net periodic pension and other post-retirement benefit costs. See the "Pension and Other Post-Retirement Benefits" table above for additional details.

	Pension Benefits	Other Benefits	Total
(in millions, net of income tax)	Three Months Ended September 30, 2021		
Beginning balance	\$ (38)	\$ 17	\$ (21)
Amounts reclassified from other comprehensive income: ⁽¹⁾			
Amortization of prior service cost (net of taxes of \$0 and \$1, respectively)	(1)	2	1
Amortization of net actuarial (gain) loss (net of taxes of \$0 and \$3, respectively)	1	(5)	(4)
Regulatory account transfer (net of taxes of \$1 and \$2, respectively)	1	3	4
Net current period other comprehensive gain	1	—	1
Ending balance	\$ (37)	\$ 17	\$ (20)

⁽¹⁾ These components are included in the computation of net periodic pension and other post-retirement benefit costs. See the "Pension and Other Post-Retirement Benefits" table above for additional details.

	Pension Benefits	Other Benefits	Customer Credit Trust	Total
(in millions, net of income tax)				
	Nine Months Ended September 30, 2022			
Beginning balance	\$ (33)	\$ 18	\$ —	\$ (15)
Other comprehensive income before reclassification				
Loss on investments (net of taxes of \$0, \$0 and \$7, respectively)	—	—	(17)	(17)
Amounts reclassified from other comprehensive income: ⁽¹⁾				
Amortization of prior service cost (net of taxes of \$1, \$1 and \$0, respectively)	(2)	4	—	2
Amortization of net actuarial (gain) loss (net of taxes of \$0, \$8 and \$0, respectively)	1	(22)	—	(21)
Regulatory account transfer (net of taxes of \$1, \$7 and \$0, respectively)	1	18	—	19
Net current period other comprehensive gain (loss)	—	—	(17)	(17)
Ending balance	\$ (33)	\$ 18	\$ (17)	\$ (32)

⁽¹⁾ These components are included in the computation of net periodic pension and other post-retirement benefit costs. See the “Pension and Other Post-Retirement Benefits” table above for additional details.

	Pension Benefits	Other Benefits	Total
(in millions, net of income tax)			
	Nine Months Ended September 30, 2021		
Beginning balance	\$ (39)	\$ 17	\$ (22)
Amounts reclassified from other comprehensive income: ⁽¹⁾			
Amortization of prior service cost (net of taxes of \$1 and \$3, respectively)	(3)	7	4
Amortization of net actuarial (gain) loss (net of taxes of \$1 and \$7, respectively)	3	(17)	(14)
Regulatory account transfer (net of taxes of \$1 and \$4, respectively)	2	10	12
Net current period other comprehensive gain (loss)	2	—	2
Ending balance	\$ (37)	\$ 17	\$ (20)

⁽¹⁾ These components are included in the computation of net periodic pension and other post-retirement benefit costs. See the “Pension and Other Post-Retirement Benefits” table above for additional details.

There was no material difference between PG&E Corporation and the Utility for the information disclosed above.

Voluntary Separation Program

In the second quarter of 2022, PG&E Corporation and the Utility enacted a VSP, which provides separation benefits to approximately 470 eligible employees who voluntarily agreed to terminate their employment under the program. The VSP includes certain one-time cash payments and a credit to the employee’s retirement health savings account. PG&E Corporation and the Utility account for the VSP as a special termination benefit with any costs of the special separation benefits recorded upon each employee’s irrevocable acceptance. In the third quarter of 2022, PG&E Corporation and the Utility recorded \$77 million in Operating and maintenance expense on the Condensed Consolidated Statements of Income related to the VSP one-time cash payments. In addition, during the third quarter of 2022, VSP-related credits to employee retirement health savings accounts totaled \$22 million. This amount will be paid using the PG&E Corporation and Utility postretirement medical plan trusts’ assets and does not impact income.

Financial Assets Measured at Amortized Cost – Credit Losses

PG&E Corporation and the Utility use the current expected credit loss model to estimate the expected lifetime credit loss on financial assets measured at amortized cost. PG&E Corporation and the Utility evaluate credit risk in their portfolio of financial assets quarterly. As of September 30, 2022, PG&E Corporation and the Utility identified the following significant categories of financial assets.

Trade Receivables

Trade receivables are represented by customer accounts. PG&E Corporation and the Utility record an allowance for doubtful accounts to recognize an estimate of expected lifetime credit losses. The allowance is determined on a collective basis based on the historical amounts written-off and an assessment of customer collectability. Furthermore, economic conditions are evaluated as part of the estimate of expected lifetime credit losses.

During the nine months ended September 30, 2022, expected credit losses of \$126 million were recorded in Operating and maintenance expense on the Condensed Consolidated Statements of Income for credit losses associated with trade and other receivables. The portion of expected credit losses that are deemed probable of recovery are deferred to the RUBA, CPPMA and a FERC regulatory asset. As of September 30, 2022, the RUBA current balancing accounts receivable balance was \$109 million, and CPPMA and FERC long-term regulatory asset balances were \$10 million and \$10 million, respectively.

Other Receivables and Available-For-Sale Debt Securities

Insurance receivables are related to the liability insurance policies PG&E Corporation and the Utility carry. Insurance receivable risk is related to each insurance carrier's risk of defaulting on their individual policies. Wildfire Fund receivables are the funds available from the statewide fund established under AB 1054 for payment of eligible claims related to the 2021 Dixie fire that exceed \$1.0 billion and available insurance coverage. For more information, see Note 11 below. Wildfire Fund receivables risk is related to the Wildfire Fund's durability, which is a measurement of the claim-paying capacity. Lastly, PG&E Corporation and the Utility are required to determine if the fair value is below the amortized cost basis for its available-for-sale debt securities (i.e., impairment). If such an impairment exists and it does not otherwise result in a write-down, then PG&E Corporation and the Utility must determine whether a portion of the impairment is a result of expected credit loss.

As of September 30, 2022, expected credit losses for insurance receivables, Wildfire Fund receivables, and available-for-sale debt securities were immaterial.

Asset Retirement Obligations

PG&E Corporation and the Utility account for an ARO at fair value in the period during which the legal obligation is incurred if a reasonable estimate of fair value and its settlement date can be made. At the time of recording an ARO, the associated asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset. The Utility recognizes a regulatory asset or liability for the timing differences between the recognition of expenses and costs recovered through the ratemaking process. For more information, see Note 4 below.

To estimate its liability, the Utility uses a discounted cash flow model based upon significant estimates and assumptions about future decommissioning costs, escalation rates, credit-adjusted risk-free rates, and the estimated date of decommissioning. For generation facilities, the Utility uses a probability-weighted, discounted cash flow model. For nuclear generation facilities, the model also considers multiple decommissioning start-year scenarios. The estimated future cash flows are discounted using a credit-adjusted risk-free rate that reflects the risk associated with the decommissioning obligation. The Utility performs detailed studies of its nuclear generation facilities every three years in conjunction with the NDCTP, and updates its nuclear AROs accordingly, unless circumstances warrant more frequent updates, based on its annual evaluation of cost escalation factors and probabilities assigned to various scenarios.

The ARO liability decreased from \$6.4 billion as of December 31, 2020 to \$5.3 billion as of December 31, 2021, primarily due to the decrease in nuclear decommissioning ARO of \$1.3 billion. In December 2021, the Utility filed its 2021 NDCTP application, which includes a Diablo Canyon site-specific decommissioning cost estimate of \$4.0 billion. Relative to the 2018 NDCTP decision, the 2021 NDCTP application resulted in a decommissioning cost estimate that was decreased by \$378 million on a non-escalated basis and \$2.6 billion on an escalated basis. The escalated basis assumed that costs will be spread primarily over 56 years, which represents the assumption for how much time will be required for physical decommissioning of Units 1 and 2. This decrease reflected favorable changes in the scope and methods of planned decommissioning activities. In addition, the Utility's escalation rates were filed as part of the NDCTP and include factors for the Utility's labor, materials, contract labor, burial costs, and other costs. Additionally, the average total escalation factor decreased, primarily due to a reduction in the escalation factor for burial costs. Furthermore, the credit-adjusted risk-free rate, was greater in 2021 than in 2020.

The increase of \$925 million in the 2022 ARO liability at September 30, 2022 as compared to December 31, 2021 is primarily due to a realignment of the expected timing of Diablo Canyon decommissioning work to be completed; the creation of a new liability for the permanently abandoned electric transmission lines in connection with the Kincade SED Settlement (as defined in Note 11); increases in the probability that the Utility will be responsible for decommissioning certain hydroelectric generation facilities; increases in the costs associated with retiring gas transmission pipelines; and increases in escalation factors.

On September 2, 2022, the Governor of California signed SB 846, which supports the extension of operations at Diablo Canyon through no later than 2030, with the potential for an earlier retirement date. The Utility's ARO associated with the decommissioning of Diablo Canyon could be materially impacted if the plant's operations are extended beyond 2025. As of September 30, 2022, the Utility did not adjust the ARO associated with the decommissioning of Diablo Canyon because the Utility has not received approval of its application for federal funding through the U.S. DOE's Civil Nuclear Credit program, and the Utility has not received required federal and state licenses, permits, and approvals. PG&E Corporation and the Utility expect to adjust the ARO associated with the decommissioning of Diablo Canyon, if at all, in the fourth quarter of 2022.

Recently Adopted Accounting Standards

Debt

In August 2020, the Financial Accounting Standards Board ("FASB") issued ASU No. 2020-06, *Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. PG&E Corporation and the Utility adopted this ASU on January 1, 2022. There was no material impact on PG&E Corporation's or the Utility's Condensed Consolidated Financial Statements and the related disclosures resulting from the adoption of this ASU.

NOTE 4: REGULATORY ASSETS, LIABILITIES, AND BALANCING ACCOUNTS

Regulatory Assets

Long-term regulatory assets are comprised of the following:

(in millions)	Balance at	
	September 30, 2022	December 31, 2021
Pension benefits ⁽¹⁾	\$ 519	\$ 708
Environmental compliance costs	1,190	1,089
Utility retained generation ⁽²⁾	98	133
Price risk management	151	216
Catastrophic event memorandum account ⁽³⁾	998	1,119
Wildfire expense memorandum account ⁽⁴⁾	417	347
Fire hazard prevention memorandum account ⁽⁵⁾	77	75
Fire risk mitigation memorandum account ⁽⁶⁾	122	44
Wildfire mitigation plan memorandum account ⁽⁷⁾	623	424
Deferred income taxes ⁽⁸⁾	2,527	1,849
Insurance premium costs ⁽⁹⁾	168	207
Wildfire mitigation balancing account ⁽¹⁰⁾	301	273
Vegetation management balancing account ⁽¹¹⁾	1,994	1,411
COVID-19 pandemic protection memorandum accounts ⁽¹²⁾	32	49
Microgrid memorandum account ⁽¹³⁾	192	163
Financing costs ⁽¹⁴⁾	207	175
SB 901 securitization ⁽¹⁵⁾	5,439	—
AROs in excess of recoveries ⁽¹⁶⁾	369	—
Other	1,024	925
Total long-term regulatory assets	\$ 16,448	\$ 9,207

⁽¹⁾ Payments into the pension and other benefits plans are based on annual contribution requirements. As these annual requirements continue indefinitely into the future, the Utility expects to continuously recover pension benefits.

⁽²⁾ In connection with the settlement agreement entered into among PG&E Corporation, the Utility, and the CPUC in 2003 to resolve the Utility's 2001 proceeding under Chapter 11, the CPUC authorized the Utility to recover \$1.2 billion of costs related to the Utility's retained generation assets. The individual components of these regulatory assets are being amortized over the respective lives of the underlying generation facilities, consistent with the period over which the related revenues are recognized.

⁽³⁾ Includes costs of responding to catastrophic events that have been declared a disaster or state of emergency by competent federal or state authorities. As of September 30, 2022 and December 31, 2021, \$40 million and \$49 million in COVID-19 related costs were recorded to CEMA regulatory assets, respectively. Recovery of CEMA costs is subject to CPUC review and approval.

⁽⁴⁾ Represents incremental wildfire claims and outside legal expenses related to the 2021 Dixie fire and the 2022 Mosquito fire. Recovery of WEMA costs is subject to CPUC review and approval.

⁽⁵⁾ Includes costs associated with the implementation of regulations and requirements adopted to protect the public from potential fire hazards associated with overhead power line facilities and nearby aerial communication facilities that have not been previously authorized in another proceeding. Recovery of FHPMA costs is subject to CPUC review and approval.

⁽⁶⁾ Includes costs associated with the 2019 WMP for the period from January 1, 2019 through June 4, 2019 and other incremental costs associated with fire risk mitigation. Recovery of FRMMA costs is subject to CPUC review and approval.

⁽⁷⁾ Includes costs associated with the 2019 WMP for the period from June 5, 2019 through December 31, 2019, the 2020 WMP for the period from January 1, 2020 through December 31, 2020, the 2021 WMP for the period from January 1, 2021 through December 31, 2021 and the 2022 WMP for the period from January 1, 2022 through September 30, 2022. Recovery of WMPMA costs is subject to CPUC review and approval.

⁽⁸⁾ Represents cumulative differences between amounts recognized for ratemaking purposes and expense recognized in accordance with GAAP.

⁽⁹⁾ Represents excess liability insurance premium costs recorded to RTBA and an adjustment mechanism for costs determined in other proceedings, as authorized in the 2020 GRC and 2019 GT&S rate cases, respectively.

⁽¹⁰⁾ Includes costs associated with certain wildfire mitigation activities for the period from January 1, 2020 through September 30, 2022. Noncurrent balance represents costs above 115% of adopted revenue requirements, which are subject to CPUC review and approval.

⁽¹¹⁾ Represents vegetation management costs above 120% of adopted revenue requirements, which are subject to CPUC review and approval. The balance also includes a portion of vegetation management costs approved by the CPUC on August 22, 2022 for recovery over a 12-month period beginning in January 2023.

- ⁽¹²⁾ Includes costs associated with customer protections, including higher uncollectible costs related to the moratorium on electric and gas service disconnections program implementation costs, and higher accounts receivable financing costs for the period of March 4, 2020 to September 30, 2021. As of September 30, 2022, the Utility had recorded an under-collection of \$10 million for small business customers. The remaining \$22 million is associated with program costs and higher accounts receivable financing costs. As of December 31, 2021, the Utility had recorded an under-collection of \$30 million for residential customers pending approval for recovery in the RUBA in addition to under-collections recorded for small business customers. The remaining \$19 million is associated with program costs and higher accounts receivable financing costs. Recovery of CPPMA costs is subject to CPUC review and approval.
- ⁽¹³⁾ Includes costs associated with temporary generation, infrastructure upgrades, and community grid enablement programs associated with the implementation of microgrids. Amounts incurred are subject to CPUC review and approval.
- ⁽¹⁴⁾ Includes costs associated with long-term debt financing deemed recoverable under ASC 980 more than twelve months from the current date. These costs and their amortization period are reviewable and approved in the Utility's cost of capital or other regulatory filings.
- ⁽¹⁵⁾ In connection with the SB 901 securitization, the CPUC authorized the issuance of one or more series of recovery bonds in connection with the post-emergence transaction to finance \$7.5 billion of claims associated with the 2017 Northern California wildfires. The balance represents PG&E Wildfire Recovery Funding LLC's right to recover \$7.5 billion in wildfire claims costs associated with the 2017 Northern California wildfires, partially offset by the \$2.0 billion in required upfront shareholder contributions to the customer credit trust, net of amortization since inception. The recovery bonds will be paid via fixed recovery charges, which is designed to recover the full principal amount of the recovery bonds along with any associated interest and financing costs. See Note 6 below.
- ⁽¹⁶⁾ Represents the cumulative differences between ARO expenses and amounts collected in rates. Decommissioning costs related to the Utility's nuclear facilities are recovered through rates and are placed in nuclear decommissioning trusts. This regulatory asset also represents the deferral of realized and unrealized gains and losses on these nuclear decommissioning trust investments. See Note 10 below.

Regulatory Liabilities

Long-term regulatory liabilities are comprised of the following:

(in millions)	Balance at	
	September 30, 2022	December 31, 2021
Cost of removal obligations ⁽¹⁾	\$ 7,617	\$ 7,306
Recoveries in excess of AROs ⁽²⁾	—	388
Public purpose programs ⁽³⁾	1,117	946
Employee benefit plans ⁽⁴⁾	1,239	1,229
Transmission tower wireless licenses ⁽⁵⁾	433	446
SFGO sale ⁽⁶⁾	284	343
SB 901 securitization ⁽⁷⁾	5,380	—
Other	851	1,341
Total long-term regulatory liabilities	\$ 16,921	\$ 11,999

⁽¹⁾ Represents the cumulative differences between the recorded costs to remove assets and amounts collected in rates for expected costs to remove assets.

⁽²⁾ Represents the cumulative differences between ARO expenses and amounts collected in rates. Decommissioning costs related to the Utility's nuclear facilities are recovered through rates and are placed in nuclear decommissioning trusts. This regulatory liability also represents the deferral of realized and unrealized gains and losses on these nuclear decommissioning trust investments. See Note 10 below.

⁽³⁾ Represents amounts received from customers designated for public purpose program costs expected to be incurred beyond the next 12 months, primarily related to energy efficiency programs.

⁽⁴⁾ Represents cumulative differences between incurred costs and amounts collected in rates for post-retirement medical, post-retirement life and long-term disability plans.

⁽⁵⁾ Represents the portion of the net proceeds received from the sale of transmission tower wireless licenses that will be returned to customers. Of the \$433 million as of September 30, 2022, \$302 million and \$131 million will be refunded to FERC and CPUC jurisdiction customers, respectively. For more information, see Note 3 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

⁽⁶⁾ Represents the noncurrent portion of the net gain on the sale of the SFGO, which closed on September 17, 2021, that is being distributed to customers over a five-year period, beginning in 2022.

⁽⁷⁾ In connection with the SB 901 securitization, the Utility is required to return up to \$7.59 billion of certain shareholder tax benefits to customers via periodic bill credits. The balance reflects qualifying shareholder tax benefits that PG&E Corporation has recognized to date, net of amortization since inception, and is expected to increase as additional qualifying amounts are recognized, including when the Fire Victim Trust sells additional shares, upon which time PG&E Corporation will recognize the associated tax benefits related to the sale. See Note 6 below.

Regulatory Balancing Accounts

Current regulatory balancing accounts receivable and payable are comprised of the following:

(in millions)	Balance at	
	September 30, 2022	December 31, 2021
Electric distribution	\$ 246	—
Gas distribution and transmission	496	—
Energy procurement	398	310
Public purpose programs	333	321
Fire hazard prevention memorandum account ⁽¹⁾	—	50
Fire risk mitigation memorandum account ⁽¹⁾	—	14
Wildfire mitigation plan memorandum account ⁽¹⁾	—	67
Wildfire mitigation balancing account	—	91
General rate case memorandum accounts	119	468
Vegetation management balancing account	274	127
Insurance premium costs	369	605
Wildfire expense memorandum account	—	440
Residential uncollectibles balancing accounts	109	127
Catastrophic event memorandum account	230	—
Other	463	379
Total regulatory balancing accounts receivable	\$ 3,037	\$ 2,999

⁽¹⁾ Interim rate relief associated with the 2020 WMCE application ceased in May 2022, fully exhausting the current balance of the memorandum accounts.

(in millions)	Balance at	
	September 30, 2022	December 31, 2021
Electric distribution	\$ —	\$ 121
Electric transmission	493	24
Gas distribution and transmission	48	83
Energy procurement	202	211
Public purpose programs	298	259
Nuclear decommissioning adjustment mechanism	40	137
SFGO sale	114	21
Other	523	265
Total regulatory balancing accounts payable	\$ 1,718	\$ 1,121

For more information, see Note 4 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

NOTE 5: DEBT

Credit Facilities

The following table summarizes PG&E Corporation's and the Utility's outstanding borrowings and availability under their credit facilities as of September 30, 2022:

(in millions)	Termination Date	Maximum Facility Limit	Loans Outstanding	Letters of Credit Outstanding	Facility Availability
Utility revolving credit facility	June 2026	\$ 4,000 ⁽¹⁾	\$ 1,370	\$ 795	\$ 1,835
Utility Receivables Securitization Program ⁽²⁾	September 2024	1,325 ⁽³⁾	1,325	—	— ⁽³⁾
PG&E Corporation revolving credit facility	June 2024	500	—	—	500
Total credit facilities		\$ 5,825	\$ 2,695	\$ 795	\$ 2,335

⁽¹⁾ Includes a \$1.5 billion letter of credit sublimit.

⁽²⁾ For more information on the Receivables Securitization Program, see "Variable Interest Entities" in Note 3 above.

⁽³⁾ The amount the Utility may borrow under the Receivables Securitization Program is limited to the lesser of the facility limit and the facility availability. The facility limit fluctuates between \$1.0 billion and \$1.5 billion depending on the time period. Further, the facility availability may vary based on the amount of accounts receivable that the Utility owns that are eligible for sale to the SPV and the portion of those accounts receivable that are sold to the SPV that are eligible for advances by the lenders under the Receivables Securitization Program. As of September 30, 2022, the Receivables Securitization Program had a maximum borrowing base of \$1.3 billion and was fully drawn.

Utility

On March 31, 2022, the Utility prepaid in full the remaining portion of the 18-month tranche loans pursuant to an existing term loan credit agreement (the "2020 Utility Term Loan Credit Agreement"), in a principal amount equal to \$298 million. As a result of such prepayment, the 2020 Utility Term Loan Credit Agreement was terminated and is no longer outstanding.

On April 4, 2022, the Utility entered into a term loan credit agreement (the "2022A Utility Term Loan Credit Agreement"), comprised of 364-day tranche loans in the aggregate principal amount of \$500 million (the "364-Day 2022A Tranche Loans"). The 364-Day 2022A Tranche Loans have a maturity date of April 3, 2023 and bear interest based on the Utility's election of either (1) Term SOFR (plus a 0.10% credit spread adjustment) plus an applicable margin of 1.25%, or (2) the base rate plus an applicable margin of 0.25%. The Utility borrowed the entire amount of the 364-Day 2022A Tranche Loans on April 4, 2022. On July 21, 2022, the 364-Day 2022A Tranche Loans were prepaid in full with a portion of the proceeds from issuance of the Series 2022-B Recovery Bonds. As a result of such prepayment, the 2022A Utility Term Loan Credit Agreement was terminated and is no longer outstanding.

On April 20, 2022, the Utility entered into a term loan credit agreement (the "2022B Utility Term Loan Credit Agreement"), comprised of 364-day tranche loans in the aggregate principal amount of \$125 million (the "364-Day 2022B Tranche Loans") and two-year tranche loans in the aggregate principal amount of \$400 million (the "2-Year 2022B Tranche Loans"). The 364-Day 2022B Tranche Loans have a maturity date of April 19, 2023 and the 2-Year 2022B Tranche Loans have a maturity date of April 19, 2024. The 364-Day 2022B Tranche Loans and the 2-Year 2022B Tranche Loans bear interest based on the Utility's election of either (1) Term SOFR (plus a 0.10% credit spread adjustment) plus an applicable margin of 1.25%, or (2) the base rate plus an applicable margin of 0.25%. The Utility borrowed the entire amount of the 364-Day 2022B Tranche Loans and the 2-Year 2022B Tranche Loans on April 20, 2022.

On April 20, 2022, the Utility entered into an amendment to the Receivables Securitization Program to, among other things, add an uncommitted incremental facility which, subject to certain conditions precedent, allows the SPV to request an increase in the facility limit by an additional \$500 million to an aggregate amount of \$1.5 billion. On August 12, 2022, the SPV made such a request to increase the facility limit, and the facility limit was subsequently increased to \$1.5 billion on August 22, 2022. On September 30, 2022, the Utility entered into an amendment to the Receivables Securitization Program to, among other things, (i) extend the scheduled termination date to September 30, 2024 and (ii) implement a seasonal facility limit. After giving effect to the amendment, the facility limit fluctuates between \$1.0 billion and \$1.5 billion based on the periods set forth in the amendment.

As previously disclosed, on July 1, 2020, the Utility entered into the Utility Revolving Credit Agreement, which it subsequently amended.

On October 4, 2022, the Utility further amended the Utility Revolving Credit Agreement to, among other things, (i) increase the aggregate commitments provided by the lenders to \$4.4 billion and (ii) extend the maturity date of such agreement to June 22, 2027 (subject to a one-year extension at the option of the Utility).

PG&E Corporation

As previously disclosed, on July 1, 2020, PG&E Corporation entered into the Corporation Revolving Credit Agreement, which it subsequently amended.

On October 4, 2022, PG&E Corporation further amended the Corporation Revolving Credit Agreement to, among other things, extend the maturity date of such agreement to June 22, 2025 (subject to a one-year extension at the option of PG&E Corporation).

Long-Term Debt Issuances and Redemptions

Utility

On February 18, 2022, the Utility completed the sale of (i) \$1 billion aggregate principal amount of 3.25% First Mortgage Bonds due 2024, (ii) \$400 million aggregate principal amount of 4.20% First Mortgage Bonds due 2029, (iii) \$450 million aggregate principal amount of 4.40% First Mortgage Bonds due 2032 and (iv) \$550 million aggregate principal amount of 5.25% First Mortgage Bonds due 2052. The proceeds were used for the prepayment of a portion of the 18-month tranche loans pursuant to the 2020 Utility Term Loan Credit Agreement, in an amount equal to \$1.0 billion, and for general corporate purposes.

On June 8, 2022, the Utility issued \$450 million aggregate principal amount of 4.950% First Mortgage Bonds due June 8, 2025, \$450 million aggregate principal amount of 5.450% First Mortgage Bonds due June 15, 2027, and \$600 million aggregate principal amount of 5.90% First Mortgage Bonds due June 15, 2032. The proceeds were used for the repayment of borrowings outstanding under the Utility's revolving credit facility pursuant to the Utility Revolving Credit Agreement.

Intercompany Note Payable

As previously disclosed, on August 11, 2021, PG&E Corporation borrowed \$145 million from the Utility under an interest bearing 364-day intercompany note due August 10, 2022. On June 17, 2022, this loan was repaid in full.

NOTE 6: SB 901 SECURITIZATION AND CUSTOMER CREDIT TRUST

SB 901, signed into law on September 21, 2018, requires the CPUC to establish a CHT, directing the CPUC to limit certain disallowances in the aggregate, so that they do not exceed the maximum amount that the Utility can pay without harming customers or materially impacting its ability to provide adequate and safe service. SB 901 also authorizes the CPUC to issue a financing order that permits recovery, through the issuance of recovery bonds (also referred to as "securitization"), of wildfire-related costs found to be just and reasonable by the CPUC and, only for the 2017 Northern California wildfires, any amounts in excess of the CHT.

Pursuant to SB 901, on April 30, 2020, the Utility filed an application with the CPUC seeking authorization for a post-emergence transaction to finance, using securitization, \$7.5 billion of 2017 wildfire claims costs and create a corresponding customer credit trust that is designed to not impact the net amounts billed to customers, with the proceeds of the securitization used to pay or reimburse the Utility for the payment of wildfire claims costs associated with the 2017 Northern California wildfires. On April 23, 2021, the CPUC issued a decision finding that \$7.5 billion of the Utility's 2017 catastrophic wildfire costs and expenses are stress test costs that may be financed through the issuance of recovery bonds pursuant to Public Utilities Code sections 850 et seq. ("CHT Decision"). As requested, the decision authorized the Utility to establish a customer credit trust funded by PG&E Corporation's shareholders that will provide a monthly credit to customers that is anticipated to equal the fixed recovery charges such that the securitization is designed to be rate neutral to customers. Subject to retention of the CPUC's existing jurisdiction, the decision adopts a transaction structure comprised of four elements: (1) an initial shareholder contribution to the customer credit trust of \$2.0 billion, \$1.0 billion of which was contributed in 2022 and \$1.0 billion to be contributed in 2024; (2) up to \$7.59 billion of additional contributions funded by certain shareholder tax benefits; (3) a single CPUC review of the balance of the customer credit trust in 2040, with a single contingent supplemental shareholder contribution, if needed, up to \$775 million in 2040; and (4) sharing with customers 25% of any surplus of shareholder assets in the customer credit trust at the end of the life of the trust.

On May 11, 2021, the CPUC issued a financing order authorizing the issuance of one or more series of recovery bonds in connection with the post-emergence transaction to finance, using securitization, the \$7.5 billion of claims associated with the 2017 Northern California wildfires. On February 28, 2022, the decision finding \$7.5 billion of stress test costs eligible for securitization and the financing order authorizing the issuance of up to \$7.5 billion of recovery bonds became final and non-appealable.

On May 10, 2022, PG&E Wildfire Recovery Funding LLC issued the Series 2022-A Recovery Bonds. The Series 2022-A Recovery Bonds were issued in five tranches:

Tranche	Amount	Interest Rate	Due Date
A-1	\$ 540,000,000	3.594 %	June 1, 2032
A-2	\$ 540,000,000	4.263 %	June 1, 2038
A-3	\$ 360,000,000	4.377 %	June 3, 2041
A-4	\$ 1,260,000,000	4.451 %	December 1, 2049
A-5	\$ 900,000,000	4.674 %	December 1, 2053

The net proceeds were used to fund the redemption of all \$500 million aggregate principal amount of the Utility's Floating Rate First Mortgage Bonds due June 16, 2022 on May 16, 2022 and the redemption of all \$2.5 billion aggregate principal amount of the Utility's 1.75% First Mortgage Bonds due June 16, 2022 on May 16, 2022. The Utility used the remaining proceeds from the issuance of the Series 2022-A Recovery Bonds for the repayment of a portion of loans outstanding under the Utility's revolving credit facility pursuant to the Utility Revolving Credit Agreement.

On May 9, 2022, the Utility contributed \$480 million to the customer credit trust. On July 19, 2022, the Utility contributed \$520 million to the customer credit trust in full satisfaction of the first \$1.0 billion as required by the CHT decision.

On July 20, 2022, PG&E Wildfire Recovery Funding LLC issued the Series 2022-B Recovery Bonds. The Series 2022-B Recovery Bonds were issued in five tranches:

Tranche	Amount	Interest Rate	Due Date
B-1	\$ 613,080,000	4.022 %	June 1, 2033
B-2	\$ 600,000,000	4.722 %	June 1, 2039
B-3	\$ 500,040,000	5.081 %	June 3, 2043
B-4	\$ 1,149,960,000	5.212 %	December 1, 2049
B-5	\$ 1,036,920,000	5.099 %	June 1, 2054

The net proceeds were used to fund (1) the redemption of all \$1.5 billion aggregate principal amount of the Utility's 1.367% First Mortgage Bonds due March 10, 2023 on July 25, 2022, (2) the prepayment of all \$500 million of loans outstanding under the 2022A Utility Term Loan Credit Agreement, and (3) the repayment of a portion of loans outstanding under the Utility's revolving credit facility pursuant to the Utility Revolving Credit Agreement. The Utility also intends to use a portion of the remaining proceeds to fund the redemption of all \$1.0 billion aggregate principal amount of the Utility's 3.25% First Mortgage Bonds due 2024.

Pursuant to the financing order, the Utility sold its right to receive revenues from the non-bypassable fixed recovery charge ("SB 901 Recovery Property") to PG&E Wildfire Recovery Funding LLC, which, in turn, issued the recovery bonds secured by the SB 901 Recovery Property. The fixed recovery charge is designed to recover the full principal amount of the recovery bonds along with any associated interest and financing costs. In the context of the CHT decision, which is intended to insulate customers from the fixed recovery charge, there is a customer credit which is designed to equal the recovery bond principal, interest, and financing costs over the life of the recovery bonds. The customer credit is funded by the customer credit trust (see Note 10). The fixed recovery charges and customer credits are presented on a net basis in Operating Revenues in the Condensed Consolidated Statements of Income and had no net impact on Operating Revenues for the three and nine months ended September 30, 2022.

Also pursuant to the CHT decision, during the quarter ended June 30, 2022, the Utility recorded a \$5.5 billion SB 901 securitization regulatory asset (see Note 4), reflecting PG&E Wildfire Recovery Funding LLC's right to recover \$7.5 billion in wildfire claims costs associated with the 2017 Northern California wildfires, partially offset by the \$2.0 billion in required upfront shareholder contributions to the customer credit trust. The Utility also recorded a \$5.51 billion SB 901 securitization regulatory liability (see Note 4) during the quarter ended June 30, 2022, which represents certain shareholder tax benefits the Utility had recognized as of that date that will be returned to customers. As the Fire Victim Trust sells the remaining shares it holds of PG&E Corporation common stock, the SB 901 securitization regulatory liability will increase, reflecting the recognition of additional income tax benefits, up to \$7.59 billion as required in the CHT decision. As these tax benefits are monetized, they will be contributed to the customer credit trust. The Utility expects to amortize the SB 901 securitization regulatory asset and liability over the life of the recovery bonds, with such amortization expense reflected in Operating and maintenance expense in the Condensed Consolidated Statements of Income. As a result of the initial recognition of the SB 901 securitization regulatory asset and liability, in the nine months ended September 30, 2022, the Utility recorded a \$40 million pre-tax charge, reflected in SB 901 securitization charge, net in the Condensed Consolidated Statements of Income. The SB 901 securitization charge, net is expected to increase in future periods as the aforementioned tax benefits are recognized and recorded within deferred income taxes.

The following table illustrates the financial statement impact upon establishment of the regulatory asset and liability:

(in millions)

SB 901 securitization regulatory assets	\$	5,500
SB 901 securitization regulatory liability		(5,540)
SB 901 securitization charges, net	\$	(40)

NOTE 7: EQUITY

At the Market Equity Distribution Program

On April 30, 2021, PG&E Corporation entered into an Equity Distribution Agreement ("Equity Distribution Agreement") with Barclays Capital Inc., BofA Securities, Inc., Credit Suisse Securities (USA) LLC and Wells Fargo Securities, LLC, as sales agents and as forward sellers (in such capacities as applicable, the "Agents" and the "Forward Sellers," respectively), and Barclays Bank PLC, Bank of America, N.A., Credit Suisse Capital LLC and Wells Fargo Bank, National Association, as forward purchasers (the "Forward Purchasers"), establishing an at the market equity distribution program, pursuant to which PG&E Corporation, through the Agents, may offer and sell from time to time shares of PG&E Corporation's common stock having an aggregate gross sales price of up to \$400 million. PG&E Corporation has no obligation to offer or sell any of its common stock under the Equity Distribution Agreement and may at any time suspend offers under the Equity Distribution Agreement.

The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares of common stock by PG&E Corporation to or through the Agents, PG&E Corporation may enter into forward sale agreements (collectively, the "Forward Sale Agreements") pursuant to which the relevant Forward Purchaser will borrow shares from third parties and, through its affiliated Forward Seller, offer a number of shares of common stock equal to the number of shares of common stock underlying the particular Forward Sale Agreement.

During the nine months ended September 30, 2022, PG&E Corporation did not sell any shares pursuant to the Equity Distribution Agreement or any Forward Sale Agreement. As of September 30, 2022, there was \$400 million available under PG&E Corporation's At the Market Equity Distribution Program for future offerings.

Ownership Restrictions in PG&E Corporation's Amended Articles

Under Section 382 of the IRC, if a corporation (or a consolidated group) undergoes an "ownership change," net operating loss carryforwards and other tax attributes may be subject to certain limitations (which could limit PG&E Corporation or the Utility's ability to use these deferred tax assets to offset taxable income). In general, an ownership change occurs if the aggregate stock ownership of certain shareholders (generally five percent shareholders, applying certain look-through and aggregation rules) increases by more than 50% over such shareholders' lowest percentage ownership during the testing period (generally three years). The Amended Articles limit Transfers (as defined in the Amended Articles) that increase a person's or entity's (including certain groups of persons) ownership of PG&E Corporation's equity securities to 4.75% or more prior to the Restriction Release Date (as defined in the Amended Articles) without approval by the Board of Directors of PG&E Corporation.

On July 8, 2021, PG&E Corporation, the Utility, ShareCo and the Fire Victim Trust entered into the Share Exchange and Tax Matters Agreement, pursuant to which PG&E Corporation and the Utility made a “grantor trust” election for the Fire Victim Trust effective retroactively to the inception of the Fire Victim Trust. As a result of the grantor trust election, shares of PG&E Corporation common stock owned by the Fire Victim Trust are treated as held by the Utility and, in turn attributed to PG&E Corporation for income tax purposes. Consequently, any shares owned by the Fire Victim Trust, along with any shares owned by the Utility directly, are effectively excluded from the total number of outstanding equity securities when calculating a person’s Percentage Stock Ownership (as defined in the Amended Articles) for purposes of the 4.75% ownership limitation in the Amended Articles. Shares owned by ShareCo are also effectively excluded because ShareCo is a disregarded entity for income tax purposes. For example, although PG&E Corporation had 2,465,443,675 shares outstanding as of October 20, 2022, only 1,644,956,495 shares (that is, the number of outstanding shares of common stock less the number of shares held by the Fire Victim Trust, the Utility and ShareCo) count as outstanding for purposes of the ownership restrictions in the Amended Articles. As such, based on the total number of outstanding equity securities and taking into account the shares of PG&E Corporation common stock known to have been sold by the Fire Victim Trust as of October 20, 2022, a person’s effective Percentage Stock Ownership limitation for purposes of the Amended Articles as of October 20, 2022 was 3.16% of the outstanding shares. On January 31, 2022, April 14, 2022, and October 4, 2022, the Fire Victim Trust exchanged 40,000,000, 60,000,000, and 35,000,000 Plan Shares, respectively, for an equal number of New Shares in the manner contemplated by the Share Exchange and Tax Matters Agreement; in each case, the Fire Victim Trust thereafter reported that it sold the applicable New Shares. In the nine months ended September 30, 2022, the Fire Victim Trust’s sale of PG&E Corporation common stock in the aggregate amount of 100,000,000 shares resulted in an aggregate tax benefit of \$337 million recorded in PG&E Corporation’s and the Utility’s Condensed Consolidated Financial Statements. As of October 20, 2022, to the knowledge of PG&E Corporation, the Fire Victim Trust had sold 135,000,000 shares of PG&E Corporation common stock in the aggregate.

As of the date of this report, it is more likely than not that PG&E Corporation has not undergone an ownership change and consequently, its net operating loss carryforwards and other tax attributes are not limited by Section 382 of the IRC.

Dividends

On December 20, 2017, the Boards of Directors of PG&E Corporation and the Utility suspended quarterly cash dividends on both PG&E Corporation’s and the Utility’s common stock, beginning the fourth quarter of 2017, as well as the Utility’s preferred stock, beginning the three-month period ending January 31, 2018.

On February 8, 2022, the Board of Directors of the Utility authorized the payment of all cumulative and unpaid dividends on the Utility’s preferred stock as of January 31, 2022 totaling \$59.1 million, which was paid on May 13, 2022, to holders of record on April 29, 2022 and declared a dividend on the Utility’s preferred stock totaling \$3.5 million, which was paid on May 15, 2022, to holders of record on April 29, 2022. On September 15, 2022, the Board of Directors of the Utility declared dividends on its outstanding series of preferred stock totaling \$3.5 million, to be payable on November 15, 2022, to holders of record on October 31, 2022.

On June 15, 2022, the Board of Directors of the Utility also reinstated the dividend on the Utility’s common stock and declared a common stock dividend of \$425 million that was paid to PG&E Corporation on June 17, 2022. On September 15, 2022, the Board of Directors of the Utility declared a common stock dividend of \$425 million that was paid to PG&E Corporation on September 16, 2022. No dividend is payable until declared by the Board of Directors of the Utility.

Subject to the dividend restrictions as described in Note 6 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K, any decision to declare and pay dividends in the future will be made at the discretion of the Board of Directors of PG&E Corporation and will depend on, among other things, results of operations, financial condition, cash requirements, contractual restrictions and other factors that the Board of Directors of PG&E Corporation may deem relevant. Pursuant to the Confirmation Order, PG&E Corporation may not pay dividends on shares of its common stock until it recognizes \$6.2 billion in Non-GAAP Core Earnings following the Emergence Date. “Non-GAAP Core Earnings” means GAAP earnings adjusted for certain non-core items. PG&E Corporation currently is unable to predict when it will commence the payment of dividends on its common stock.

NOTE 8: EARNINGS PER SHARE

PG&E Corporation's basic earnings per common share ("EPS") is calculated by dividing the income available for common shareholders by the weighted average number of common shares outstanding. PG&E Corporation applies the treasury stock method of reflecting the dilutive effect of outstanding share-based compensation in the calculation of diluted EPS. The following is a reconciliation of PG&E Corporation's income available for common shareholders and weighted average common shares outstanding for calculating diluted EPS:

(in millions, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Income (loss) available for common shareholders	\$ 456	\$ (1,091)	\$ 1,287	\$ (574)
Weighted average common shares outstanding, basic	1,987	1,985	1,987	1,985
Add incremental shares from assumed conversions:				
Employee share-based compensation	8	—	8	—
Equity Units	137	—	137	—
Weighted average common shares outstanding, diluted	2,132	1,985	2,132	1,985
Total income (loss) per common share, diluted	\$ 0.21	\$ (0.55)	\$ 0.60	\$ (0.29)

All potentially dilutive securities were excluded from the calculation of outstanding common shares on a diluted basis in periods where PG&E Corporation has incurred a net loss.

For each of the periods presented above, the calculation of outstanding common shares on a diluted basis excluded an insignificant amount of options and securities that were antidilutive.

NOTE 9: DERIVATIVES

Use of Derivative Instruments

The Utility is exposed to commodity price risk as a result of its electricity and natural gas procurement activities. Procurement costs are recovered through rates. The Utility uses both derivative and non-derivative contracts to manage volatility in customer rates due to fluctuating commodity prices. Derivatives include contracts, such as power purchase agreements, forwards, futures, swaps, options, and CRRs that are traded either on an exchange or over-the-counter.

Derivatives are presented in the Utility's Condensed Consolidated Balance Sheets and recorded at fair value and on a net basis in accordance with master netting arrangements for each counterparty. The fair value of derivative instruments is further offset by cash collateral paid or received where the right of offset and the intention to offset exist.

Price risk management activities that meet the definition of derivatives are recorded at fair value on the Condensed Consolidated Balance Sheets. These instruments are not held for speculative purposes and are subject to certain regulatory requirements. The Utility expects to fully recover through rates all costs related to derivatives under the applicable ratemaking mechanism in place as long as the Utility's price risk management activities are carried out in accordance with CPUC directives. Therefore, all unrealized gains and losses associated with the change in fair value of these derivatives are deferred and recorded within the Utility's regulatory assets and liabilities on the Condensed Consolidated Balance Sheets. Net realized gains or losses on commodity derivatives are recorded in the cost of electricity or the cost of natural gas with corresponding increases or decreases to regulatory balancing accounts for recovery from or refund to customers.

The Utility elects the normal purchase and sale exception for eligible derivatives. Eligible derivatives are those that require physical delivery in quantities that are expected to be used by the Utility over a reasonable period in the normal course of business, and do not contain pricing provisions unrelated to the commodity delivered. These items are not reflected in the Condensed Consolidated Balance Sheets at fair value.

Volume of Derivative Activity

The volumes of the Utility's outstanding derivatives were as follows:

Underlying Product	Instruments	Contract Volume at	
		September 30, 2022	December 31, 2021
Natural Gas ⁽¹⁾ (MMBtus ⁽²⁾)	Forwards, Futures and Swaps	215,106,533	173,361,635
	Options	56,070,000	14,420,000
Electricity (Megawatt-hours)	Forwards, Futures and Swaps	10,323,759	10,283,639
	Options	215,600	288,000
	Congestion Revenue Rights ⁽³⁾	215,759,706	239,857,610

⁽¹⁾ Amounts shown are for the combined positions of the electric fuels and core gas supply portfolios.

⁽²⁾ Million British Thermal Units.

⁽³⁾ CRRs are financial instruments that enable the holders to manage variability in electric energy congestion charges due to transmission grid limitations.

Presentation of Derivative Instruments in the Financial Statements

As of September 30, 2022, the Utility's outstanding derivative balances were as follows:

(in millions)	Commodity Risk			
	Gross Derivative Balance	Netting	Cash Collateral	Total Derivative Balance
Current assets – other	\$ 104	\$ (9)	\$ 70	\$ 165
Other noncurrent assets – other	160	—	—	160
Current liabilities – other	(55)	9	15	(31)
Noncurrent liabilities – other	(151)	—	—	(151)
Total commodity risk	\$ 58	\$ —	\$ 85	\$ 143

As of December 31, 2021, the Utility's outstanding derivative balances were as follows:

(in millions)	Commodity Risk			
	Gross Derivative Balance	Netting	Cash Collateral	Total Derivative Balance
Current assets – other	\$ 58	\$ (9)	\$ 152	\$ 201
Other noncurrent assets – other	169	—	—	169
Current liabilities – other	(53)	9	18	(26)
Noncurrent liabilities – other	(216)	—	—	(216)
Total commodity risk	\$ (42)	\$ —	\$ 170	\$ 128

Cash inflows and outflows associated with derivatives are included in operating cash flows on the Utility's Condensed Consolidated Statements of Cash Flows.

Some of the Utility's derivatives instruments, including power purchase agreements, contain collateral posting provisions tied to the Utility's credit rating from each of the major credit rating agencies, also known as a credit-risk-related contingent feature. Multiple credit agencies continue to rate the Utility below investment grade, which results in the Utility posting additional collateral. As of September 30, 2022, the Utility satisfied or has otherwise addressed its obligations related to the credit-risk related contingency features.

NOTE 10: FAIR VALUE MEASUREMENTS

PG&E Corporation and the Utility measure their cash equivalents, trust assets, and price risk management instruments at fair value. A three-tier fair value hierarchy is established that prioritizes the inputs to valuation methodologies used to measure fair value:

- **Level 1** – Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- **Level 2** – Other inputs that are directly or indirectly observable in the marketplace.
- **Level 3** – Unobservable inputs which are supported by little or no market activities.

The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Assets and liabilities measured at fair value on a recurring basis for PG&E Corporation and the Utility are summarized below. Assets held in rabbi trusts are held by PG&E Corporation and not the Utility.

(in millions)	Fair Value Measurements				
	At September 30, 2022				
	Level 1	Level 2	Level 3	Netting ⁽¹⁾	Total
Assets:					
Short-term investments	\$ 160	\$ —	\$ —	\$ —	\$ 160
Fixed-income securities	—	49	—	—	49
Nuclear decommissioning trusts					
Short-term investments	103	—	—	—	103
Global equity securities	1,690	—	—	—	1,690
Fixed-income securities	1,057	806	—	—	1,863
Assets measured at NAV	—	—	—	—	23
Total nuclear decommissioning trusts ⁽²⁾	2,850	806	—	—	3,679
Customer credit trust					
Short-term investments	7	—	—	—	7
Global equity securities	251	—	—	—	251
Fixed-income securities	180	436	—	—	616
Total customer credit trust	438	436	—	—	874
Price risk management instruments (Note 9)					
Electricity	—	32	205	22	259
Gas	—	27	—	39	66
Total price risk management instruments	—	59	205	61	325
Rabbi trusts					
Short-term investments	25	—	—	—	25
Global equity securities	4	—	—	—	4
Fixed-income securities	—	68	—	—	68
Life insurance contracts	—	66	—	—	66
Total rabbi trusts	29	134	—	—	163
Long-term disability trust					
Short-term investments	4	—	—	—	4
Assets measured at NAV	—	—	—	—	111
Total long-term disability trust	4	—	—	—	115
TOTAL ASSETS	\$ 3,481	\$ 1,484	\$ 205	\$ 61	\$ 5,365
Liabilities:					
Price risk management instruments (Note 9)					
Electricity	\$ —	\$ 20	\$ 174	\$ (22)	\$ 172
Gas	—	12	—	(2)	10
TOTAL LIABILITIES	\$ —	\$ 32	\$ 174	\$ (24)	\$ 182

⁽¹⁾ Includes the effect of the contractual ability to settle contracts under master netting agreements and cash collateral.

⁽²⁾ Represents amount before deducting \$530 million primarily related to deferred taxes on appreciation of investment value.

(in millions)	Fair Value Measurements				
	December 31, 2021				
	Level 1	Level 2	Level 3	Netting ⁽¹⁾	Total
Assets:					
Short-term investments	\$ 289	\$ —	\$ —	\$ —	\$ 289
Nuclear decommissioning trusts					
Short-term investments	22	—	—	—	22
Global equity securities	2,504	—	—	—	2,504
Fixed-income securities	1,158	866	—	—	2,024
Assets measured at NAV	—	—	—	—	31
Total nuclear decommissioning trusts⁽²⁾	3,684	866	—	—	4,581
Price risk management instruments (Note 9)					
Electricity	—	9	214	6	229
Gas	—	4	—	137	141
Total price risk management instruments	—	13	214	143	370
Rabbi trusts					
Fixed-income securities	—	104	—	—	104
Life insurance contracts	—	76	—	—	76
Total rabbi trusts	—	180	—	—	180
Long-term disability trust					
Short-term investments	6	—	—	—	6
Assets measured at NAV	—	—	—	—	132
Total long-term disability trust	6	—	—	—	138
TOTAL ASSETS	\$ 3,979	\$ 1,059	\$ 214	\$ 143	\$ 5,558
Liabilities:					
Price risk management instruments (Note 9)					
Electricity	—	11	248	(24)	235
Gas	—	10	—	(3)	7
TOTAL LIABILITIES	\$ —	\$ 21	\$ 248	\$ (27)	\$ 242

⁽¹⁾ Includes the effect of the contractual ability to settle contracts under master netting agreements and cash collateral.

⁽²⁾ Represents amount before deducting \$783 million, primarily related to deferred taxes on appreciation of investment value.

Valuation Techniques

The following describes the valuation techniques used to measure the fair value of the assets and liabilities shown in the tables above. There are no restrictions on the terms and conditions upon which the investments may be redeemed. There were no material transfers between any levels for the three and nine months ended September 30, 2022 and 2021.

Trust Assets

Assets Measured at Fair Value

In general, investments held in the trusts are exposed to various risks, such as interest rate, credit, and market volatility risks. Nuclear decommissioning trust assets, customer credit trust assets and other trust assets are composed primarily of equity and fixed-income securities and also include short-term investments that are money market funds classified as Level 1.

Global equity securities primarily include investments in common stock that are valued based on quoted prices in active markets and are classified as Level 1.

Fixed-income securities are primarily composed of U.S. government and agency securities, municipal securities, and other fixed-income securities, including corporate debt securities. U.S. government and agency securities primarily consist of U.S. Treasury securities that are classified as Level 1 because the fair value is determined by observable market prices in active markets. A market approach is generally used to estimate the fair value of fixed-income securities classified as Level 2 using evaluated pricing data such as broker quotes, for similar securities adjusted for observable differences. Significant inputs used in the valuation model generally include benchmark yield curves and issuer spreads. The external credit ratings, coupon rate, and maturity of each security are considered in the valuation model, as applicable.

Assets Measured at NAV Using Practical Expedient

Investments in the nuclear decommissioning trusts and the long-term disability trust that are measured at fair value using the NAV per share practical expedient have not been classified in the fair value hierarchy tables above. The fair value amounts are included in the tables above in order to reconcile to the amounts presented in the Condensed Consolidated Balance Sheets. These investments include commingled funds that are composed of equity securities traded publicly on exchanges as well as fixed-income securities that are composed primarily of U.S. government securities, credit securities and asset-backed securities.

Price Risk Management Instruments

Price risk management instruments include physical and financial derivative contracts, such as power purchase agreements, forwards, futures, swaps, options, and CRRs that are traded either on an exchange or over-the-counter.

Power purchase agreements, forwards, and swaps are valued using a discounted cash flow model. Exchange-traded futures that are valued using observable market forward prices for the underlying commodity are classified as Level 1. Over-the-counter forwards and swaps that are identical to exchange-traded futures, or are valued using forward prices from broker quotes that are corroborated with market data are classified as Level 2. Exchange-traded options are valued using observable market data and market-corroborated data and are classified as Level 2.

Long-dated power purchase agreements that are valued using significant unobservable data are classified as Level 3. These Level 3 contracts are valued using either estimated basis adjustments from liquid trading points or techniques, including extrapolation from observable prices, when a contract term extends beyond a period for which market data is available. The Utility utilizes models to derive pricing inputs for the valuation of the Utility's Level 3 instruments using pricing inputs from brokers and historical data.

The Utility holds CRRs to hedge the financial risk of CAISO-imposed congestion charges in the day-ahead market. Limited market data is available in the CAISO auction and between auction dates; therefore, the Utility utilizes historical prices to forecast forward prices. CRRs are classified as Level 3.

Level 3 Measurements and Uncertainty Analysis

Inputs used and the fair value of Level 3 instruments are reviewed period-over-period and compared with market conditions to determine reasonableness.

Significant increases or decreases in any of those inputs would result in a significantly higher or lower fair value, respectively. All reasonable costs related to Level 3 instruments are expected to be recoverable through rates; therefore, there is no impact to net income resulting from changes in the fair value of these instruments. See Note 9 above.

Fair Value at					
(in millions)	At September 30, 2022		Valuation Technique	Unobservable Input	Range ⁽¹⁾ /Weighted-Average Price ⁽²⁾
Fair Value Measurement	Assets	Liabilities			
Congestion revenue rights	\$ 162	\$ 78	Market approach	CRR auction prices	\$ (2,265.69) - 2,265.94 / 0.43
Power purchase agreements	\$ 43	\$ 96	Discounted cash flow	Forward prices	\$ (6.91) - 210.05 / 59.52

⁽¹⁾ Represents price per megawatt-hour.

⁽²⁾ Unobservable inputs were weighted by the relative fair value of the instruments.

(in millions)	Fair Value at At December 31, 2021		Valuation Technique	Unobservable Input	Range ⁽¹⁾ /Weighted-Average Price ⁽²⁾
	Assets	Liabilities			
Congestion revenue rights	\$ 188	\$ 93	Market approach	CRR auction prices	\$ (40.77) - 2,265.94 / 0.40
Power purchase agreements	\$ 26	\$ 155	Discounted cash flow	Forward prices	\$ (7.97) - 256.20 / 47.17

⁽¹⁾ Represents price per megawatt-hour.

⁽²⁾ Unobservable inputs were weighted by the relative fair value of the instruments.

Level 3 Reconciliation

The following table presents the reconciliation for Level 3 price risk management instruments for the three and nine months ended September 30, 2022 and 2021, respectively:

(in millions)	Price Risk Management Instruments	
	2022	2021
Asset (Liability) balance as of July 1	\$ 11	\$ (18)
Net realized and unrealized gains (losses):		
Included in regulatory assets and liabilities or balancing accounts ⁽¹⁾	20	(62)
Asset (Liability) balance as of September 30	\$ 31	\$ (80)

⁽¹⁾ The costs related to price risk management activities are recovered through rates. Accordingly, unrealized gains and losses are deferred in regulatory liabilities and assets and net income is not impacted.

(in millions)	Price Risk Management Instruments	
	2022	2021
Liability balance as of January 1	\$ (34)	\$ (72)
Net realized and unrealized gains (losses):		
Included in regulatory assets and liabilities or balancing accounts ⁽¹⁾	65	(8)
Asset (Liability) balance as of September 30	\$ 31	\$ (80)

⁽¹⁾ The costs related to price risk management activities are recovered through rates. Accordingly, unrealized gains and losses are deferred in regulatory liabilities and assets and net income is not impacted.

Financial Instruments

PG&E Corporation and the Utility use the following methods and assumptions in estimating fair value for financial instruments: the fair values of cash, net accounts receivable, short-term borrowings, accounts payable, customer deposits, and the Utility's variable rate pollution control bond loan agreements approximate their carrying values as of September 30, 2022 and December 31, 2021, as they are short-term in nature.

The carrying amount and fair value of PG&E Corporation's and the Utility's long-term debt instruments were as follows (the table below excludes financial instruments with carrying values that approximate their fair values):

(in millions)	At September 30, 2022		At December 31, 2021	
	Carrying Amount	Level 2 Fair Value	Carrying Amount	Level 2 Fair Value
Debt (Note 5)				
PG&E Corporation	\$ 4,616	\$ 4,302	\$ 4,619	\$ 4,796
Utility	33,726	27,420	31,816	35,803

Nuclear Decommissioning Trust Investments

The following table provides a summary of equity securities and available-for-sale debt securities:

(in millions)	Amortized Cost	Total Unrealized Gains	Total Unrealized Losses	Total Fair Value
As of September 30, 2022				
Nuclear decommissioning trusts				
Short-term investments	\$ 103	\$ —	\$ —	\$ 103
Global equity securities	427	1,314	(28)	1,713
Fixed-income securities	2,014	8	(159)	1,863
Total ⁽¹⁾	\$ 2,544	\$ 1,322	\$ (187)	\$ 3,679
As of December 31, 2021				
Nuclear decommissioning trusts				
Short-term investments	\$ 22	\$ —	\$ —	\$ 22
Global equity securities	479	2,066	(10)	2,535
Fixed-income securities	1,938	98	(12)	2,024
Total ⁽¹⁾	\$ 2,439	\$ 2,164	\$ (22)	\$ 4,581

⁽¹⁾ Represents amounts before deducting \$530 million and \$783 million as of September 30, 2022 and December 31, 2021, respectively, primarily related to deferred taxes on appreciation of investment value.

The fair value of fixed-income securities by contractual maturity is as follows:

(in millions)	As of September 30, 2022
Less than 1 year	\$ 19
1–5 years	619
5–10 years	411
More than 10 years	814
Total maturities of fixed-income securities	\$ 1,863

The following table provides a summary of activity for the fixed-income and equity securities:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Proceeds from sales and maturities of nuclear decommissioning trust investments	\$ 766	\$ 224	\$ 2,135	\$ 1,176
Gross realized gains on securities	21	21	158	150
Gross realized losses on securities	(40)	(2)	(105)	(18)

Customer Credit Trust

The following table provides a summary of equity securities and available-for-sale debt securities:

(in millions)	Amortized Cost	Total Unrealized Gains	Total Unrealized Losses	Total Fair Value
As of September 30, 2022				
Customer credit trust				
Short-term investments	\$ 7	\$ —	\$ —	\$ 7
Global equity securities	284	2	(35)	251
Fixed-income securities	639	—	(23)	616
Total	\$ 930	\$ 2	\$ (58)	\$ 874

The fair value of fixed-income securities by contractual maturity is as follows:

(in millions)	As of September 30, 2022
Less than 1 year	\$ —
1–5 years	169
5–10 years	162
More than 10 years	285
Total maturities of fixed-income securities	\$ 616

The following table provides a summary of activity for the fixed-income and equity securities:

(in millions)	2022	
	Three Months Ended September 30,	Nine Months Ended September 30,
Proceeds from sales and maturities of customer credit trust investments	\$ 79	\$ 79
Gross realized gains on securities	8	8
Gross realized losses on securities ⁽¹⁾	(18)	(18)

⁽¹⁾ Includes \$7 million of impaired debt securities which were written-down to their respective fair values during the three and nine months ended September 30, 2022.

NOTE 11: WILDFIRE-RELATED CONTINGENCIES

Liability Overview

PG&E Corporation and the Utility have significant contingencies arising from their operations, including contingencies related to wildfires. A provision for a loss contingency is recorded when it is both probable that a liability has been incurred and the amount of the liability can be reasonably estimated. PG&E Corporation and the Utility evaluate which potential liabilities are probable and the related range of reasonably estimated losses and record a charge that reflects their best estimate or the lower end of the range, if there is no better estimate. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of losses is estimable, often involves a series of complex judgments about future events. Loss contingencies are reviewed quarterly, and estimates are adjusted to reflect the impact of all known information, such as negotiations (including those during mediations with claimants), discovery, settlements and payments, rulings, advice of legal counsel, and other information and events pertaining to a particular matter. PG&E Corporation's and the Utility's provision for loss and expense excludes anticipated legal costs, which are expensed as incurred. PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows may be materially affected by the outcome of the following matters.

The process for estimating losses associated with potential claims related to wildfires requires management to exercise significant judgment based on a number of assumptions and subjective factors, including the factors identified above and estimates based on currently available information and prior experience with wildfires. As more information becomes available, including from potential claimants as litigation or resolution efforts progress, management estimates and assumptions regarding the potential financial impacts of wildfire events may change.

Potential liabilities related to wildfires depend on various factors, including the cause of the fire, contributing causes of the fire (including alternative potential origins, weather- and climate-related issues, and forest management and fire suppression practices), the number, size and type of structures damaged or destroyed, the contents of such structures and other personal property damage, the number and types of trees damaged or destroyed, attorneys' fees for claimants, the nature and extent of any personal injuries, including the loss of lives, the amount of fire suppression and clean-up costs, other damages the Utility may be responsible for if found negligent, and the amount of any penalties, fines, or restitution that may be imposed by courts or other governmental entities.

Criminal charges have been filed against the Utility in connection with the 2020 Zogg fire. Under California law (including Penal Code section 1202.4), if the Utility were convicted of any of the charges, the sentencing court must order the Utility to "make restitution to the victim or victims in an amount established by court order" that is "sufficient to fully reimburse the victim or victims for every determined economic loss incurred as the result of" the Utility's underlying conduct, in addition to interest and the victim's or victims' attorneys' fees. This requirement for full reimbursement of economic loss is not waivable by either the government or the victims and is not offset by any compensation that the victims have received or may receive from their insurance carriers. If convicted of any of the charges, the Utility could be subject to fines, penalties, and restitution to victims for their economic losses (including property damage, medical and mental health expenses, lost wages, lost profits, attorneys' fees and interest), as well as non-monetary remedies such as oversight requirements. In the event that the Utility were convicted of certain charges in connection with the 2020 Zogg fire, the Utility currently believes that, depending on which charges it were to be convicted of, its total losses associated with the fire would materially exceed the accrued estimated liabilities that PG&E Corporation and the Utility have recorded to reflect the lower end of the range of the reasonably estimable range of losses. The Utility is currently unable to determine a reasonable estimate of the amount of such additional losses. The Utility does not expect that any of its liability insurance would be available to cover restitution payments, if such payments were ordered by the court presiding over the criminal proceeding in connection with the 2020 Zogg fire.

PG&E Corporation and the Utility are aware of numerous civil complaints related to the following wildfire events and expect that they may receive further such complaints. The complaints include claims based on multiple theories of liability, including inverse condemnation, negligence, violations of the Public Utilities Code, violations of the Health & Safety Code, premises liability, trespass, public nuisance and private nuisance. The plaintiffs in each action principally assert that PG&E Corporation's and the Utility's alleged failure to properly maintain, inspect, and de-energize their transmission lines was the cause of the relevant wildfire. The timing and outcome for resolution of any such claims or investigations are uncertain. The Utility believes it will continue to receive additional information from potential claimants in connection with these wildfire events as litigation or resolution efforts progress. Any such additional information may potentially allow PG&E Corporation and the Utility to refine the estimates of their accrued losses and may result in changes to the accrual depending on the information received. PG&E Corporation and the Utility intend to vigorously defend themselves against both criminal charges and civil complaints.

If the Utility's facilities, such as its electric distribution and transmission lines, are judicially determined to be the substantial cause of the following matters, and the doctrine of inverse condemnation applies, the Utility could be liable for property damage, business interruption, interest and attorneys' fees without having been found negligent. California courts have imposed liability under the doctrine of inverse condemnation in legal actions brought by property holders against utilities on the grounds that losses borne by the person whose property was damaged through a public use undertaking should be spread across the community that benefited from such undertaking, and based on the assumption that utilities have the ability to recover these costs through rates. Further, California courts have determined that the doctrine of inverse condemnation is applicable regardless of whether the CPUC ultimately allows recovery by the utility for any such costs. The CPUC may decide not to authorize cost recovery even if a court decision were to determine that the Utility is liable as a result of the application of the doctrine of inverse condemnation. In addition to claims for property damage, business interruption, interest and attorneys' fees under inverse condemnation, PG&E Corporation and the Utility could be liable for fire suppression costs, evacuation costs, medical expenses, personal injury damages, punitive damages and other damages under other theories of liability in connection with the following wildfire events, including if PG&E Corporation or the Utility were found to have been negligent.

PG&E Corporation and the Utility currently believe that it is reasonably possible that the amount of loss could be greater than the accrued estimated amounts but are unable to reasonably estimate the additional loss and the upper end of the range because, as described above, there are a number of unknown facts and legal considerations that may impact the amount of any potential liability, including the total scope and nature of claims that may be asserted against PG&E Corporation and the Utility and the outcome of the criminal proceeding initiated against the Utility in connection with the 2020 Zogg fire and three other fires in Shasta County, California. If the liability for wildfires were to exceed \$1.0 billion in the aggregate in any Coverage Year, the Utility may be eligible to make a claim to the Wildfire Fund under AB 1054 to satisfy settled or finally adjudicated eligible claims in excess of such amount, except that claims related to the 2019 Kincade fire would be subject to the 40% limitation on the allowed amount of claims arising before emergence from bankruptcy. PG&E Corporation and the Utility intend to continue to review the available information and other information as it becomes available, including evidence in the possession of Cal Fire, USFS, or the relevant district attorney's office, evidence from or held by other parties, claims that have not yet been submitted, and additional information about the nature and extent of personal and business property damages and losses, the nature, number and severity of personal injuries, and information made available through the discovery process.

2019 Kincade Fire

According to Cal Fire, on October 23, 2019 at approximately 9:27 p.m. Pacific Time, a wildfire began northeast of Geyserville in Sonoma County, California (the "2019 Kincade fire"), located in the service territory of the Utility. According to a Cal Fire incident update dated March 3, 2020, 3:35 p.m. Pacific Time, the 2019 Kincade fire consumed 77,758 acres and resulted in no fatalities, four first responder injuries, 374 structures destroyed, and 60 structures damaged. In connection with the 2019 Kincade fire, state and local officials issued numerous mandatory evacuation orders and evacuation warnings. Based on County of Sonoma information, PG&E Corporation and the Utility understand that the geographic zones subject to either a mandatory evacuation order or an evacuation warning between October 23, 2019 and November 4, 2019 included approximately 200,000 persons.

On July 16, 2020, Cal Fire issued a press release with its determination that the Utility's equipment caused the 2019 Kincade fire.

On April 6, 2021, the Sonoma County District Attorney's Office ("the Sonoma D.A.") filed the Kincade Complaint charging the Utility with five felonies and 28 misdemeanors related to the 2019 Kincade fire. On April 6, 2021, PG&E Corporation announced that it disputed the charges in the Kincade Complaint. It further announced that it would accept Cal Fire's finding that a Utility transmission line caused the 2019 Kincade fire. On May 11, 2021, the Utility filed a demurrer to 25 of the 33 counts contained in the Kincade Complaint. At a hearing on September 9, 2021, the Sonoma County Superior Court overruled the demurrer. On January 28, 2022, the Sonoma D.A. filed the Kincade Amended Complaint, which replaced two felonies with five different felonies and dropped six misdemeanor counts. On April 8, 2022, the Utility and the Sonoma D.A. filed a civil stipulated judgment to resolve the criminal prosecution of the Utility in connection with the 2019 Kincade fire (the "Kincade Stipulation") without the Utility admitting any liability. Subject to the terms and conditions of the Kincade Stipulation, the Utility will pay a total of \$20.25 million, which will not be recoverable through rates. Pursuant to the Kincade Stipulation, the Utility has also agreed to: (i) fill at least 80 new internal employee positions headquartered in or serving Sonoma County; (ii) take certain wildfire mitigation actions consistent with its WMP; and (iii) engage an independent compliance monitor for at least five years to monitor the Utility's compliance with certain commitments under the Kincade Stipulation, including its commitments to carry out vegetation management and equipment inspections in Sonoma County consistent with its WMP. After the Kincade Stipulation was entered by the Sonoma County Superior Court, the Sonoma D.A. moved to dismiss the Kincade Amended Complaint with prejudice, and the court granted the motion on April 11, 2022. In the first quarter of 2022, PG&E Corporation and the Utility recorded \$20.25 million within Other current liabilities and Other noncurrent liabilities in connection with the Kincade Stipulation. As of September 30, 2022, \$1.25 million has been paid pursuant to the Kincade Stipulation.

On December 2, 2021, the CPUC approved a settlement between the SED and the Utility (the “Kincade SED Settlement”). The Kincade SED Settlement resolves SED’s investigation into the 2019 Kincade fire and provides for the removal of approximately 70 transmission lines or portions of lines that are no longer in service and are de-energized but have not been removed as required by CPUC rules. The Kincade SED Settlement provides that the Utility (i) will pay \$40 million to California’s General Fund; (ii) will remove permanently abandoned transmission lines over a ten-year period; and (iii) must incur \$85 million of the costs of such work by December 31, 2024, and it may not seek recovery of this \$85 million of costs. SED agreed to refrain from instituting enforcement proceedings against the Utility for not having removed the lines previously. The Kincade SED Settlement states that it does not constitute an admission by the Utility of violations of general orders or statutory requirements. In the first quarter of 2022, PG&E Corporation and the Utility recorded \$40 million within Other current liabilities in connection with the Kincade SED Settlement. As of September 30, 2022, \$20 million has been paid to California’s General Fund pursuant to the Kincade SED Settlement. For the \$85 million of cost of removal that the Utility will not seek recovery, the Utility recorded such disallowances in the first quarter of 2022 upon identification of the facilities to be removed. On January 10, 2022, The Utility Reform Network (“TURN”) filed an application for rehearing of the Kincade SED Settlement. On January 25, 2022, the Utility filed an opposition to the application for rehearing. On April 21, 2022, the CPUC granted TURN’s application for the limited purpose of requiring SED to include in the decision approving the settlement an analysis of the appropriate penalty using the CPUC’s methodology and denied TURN’s application in all other respects. On July 14, 2022, the CPUC approved the SED settlement.

As of October 20, 2022, PG&E Corporation and the Utility are aware of approximately 106 complaints on behalf of at least 2,670 plaintiffs related to the 2019 Kincade fire. The plaintiffs filed master complaints on July 16, 2021; PG&E Corporation’s and the Utility’s response was filed on August 16, 2021; and PG&E Corporation and the Utility filed a demurrer with respect to the plaintiffs’ inverse condemnation claims. On December 10, 2021, the court overruled the demurrer. The court scheduled trial for November 7, 2022, which it vacated on October 11, 2022.

In addition, on January 5, 2022, Cal Fire filed a complaint against the Utility in the coordinated proceeding seeking to recover approximately \$90 million for fire suppression and other costs incurred in connection with the 2019 Kincade fire. The Utility filed an answer to Cal Fire’s complaint on February 4, 2022.

On April 28, 2022, subrogation plaintiffs filed a motion for summary adjudication of their inverse condemnation cause of action in the coordinated proceeding. The court scheduled a hearing on this summary adjudication motion for August 5, 2022, which it vacated on July 29, 2022. On October 26, 2022, PG&E Corporation and the Utility entered an agreement with substantially all of the insurance subrogation plaintiffs to resolve their claims arising from the 2019 Kincade fire.

Additionally, on July 20, 2022, PG&E Corporation and the Utility filed a motion for summary adjudication on individual plaintiffs’ claims for punitive damages. The court scheduled a hearing on this summary adjudication motion for October 7, 2022, which it vacated on October 6, 2022.

Based on the current state of the law concerning inverse condemnation in California and the facts and circumstances available to PG&E Corporation and the Utility as of the date of this filing, including Cal Fire’s determination of the cause and the information gathered as part of PG&E Corporation’s and the Utility’s investigation, PG&E Corporation and the Utility believe it is probable that they will incur a loss in connection with the 2019 Kincade fire. PG&E Corporation and the Utility recorded a liability in the aggregate amount of \$800 million as of December 31, 2021 (before available insurance). Based on the facts and circumstances available to PG&E Corporation and the Utility as of the date of filing the quarterly report on Form 10-Q for the quarter ended June 30, 2022, including the then-current status of settlement discussions with certain subrogation entities and individuals, PG&E Corporation and the Utility recorded an additional charge in the second quarter of 2022 for potential losses in connection with the 2019 Kincade fire of \$150 million, for an aggregate liability of \$950 million (before available insurance). The aggregate liability remained unchanged as of September 30, 2022.

PG&E Corporation’s and the Utility’s accrued estimated losses of \$950 million do not include, among other things: (i) any amounts for potential penalties or fines that may be imposed by courts or other governmental entities on PG&E Corporation or the Utility, (ii) any punitive damages, (iii) any amounts in respect of compensation claims by federal or state agencies other than state fire suppression costs, (iv) evacuation costs, or (v) any other amounts that are not reasonably estimable.

The following table presents changes in the lower end of the range of PG&E Corporation's and the Utility's reasonably estimable range of losses for claims arising from the 2019 Kincadee fire since December 31, 2021.

Loss Accrual (in millions)

Balance at December 31, 2021	\$	769
Accrued Losses		150
Payments		(18)
Balance at September 30, 2022	\$	901

The Utility has liability insurance coverage for third-party liability attributable to the 2019 Kincadee fire in an aggregate amount of \$430 million. As of September 30, 2022, the Utility recorded an insurance receivable for the full amount of \$430 million.

2020 Zogg Fire

According to Cal Fire, on September 27, 2020, at approximately 4:03 p.m. Pacific Time, a wildfire began in the area of Zogg Mine Road and Jenny Bird Lane, north of Igo in Shasta County, California (the "2020 Zogg fire"), located in the service territory of the Utility. According to a Cal Fire incident update dated October 16, 2020, 3:08 p.m. Pacific Time, the 2020 Zogg fire consumed 56,338 acres and resulted in four fatalities, one injury, 204 structures destroyed, and 27 structures damaged.

On March 22, 2021, Cal Fire issued a press release with its determination that the 2020 Zogg fire was caused by a pine tree contacting electrical facilities owned and operated by the Utility located north of the community of Igo.

On September 24, 2021, the Shasta County District Attorney's Office filed the Zogg Complaint charging the Utility with 11 felonies and 20 misdemeanors related to the 2020 Zogg fire, the 2020 Daniel fire, the 2020 Ponder fire, and the 2021 Woody fire. On September 24, 2021, PG&E Corporation and the Utility announced that they disputed the charges in the Zogg Complaint. They further announced that they would accept Cal Fire's finding that a Utility electric line caused the 2020 Zogg fire, even though PG&E Corporation and the Utility did not have access to all of the evidence that Cal Fire gathered. On November 18, 2021, the Utility filed a demurrer to 10 of the 31 counts contained in the Zogg Complaint. At a hearing on May 2, 2022, the Shasta County Superior Court overruled the demurrer. On June 9, 2022, the Utility entered a plea of not guilty to all of the charges in the Zogg Complaint. The preliminary hearing is scheduled to begin on January 18, 2023.

On October 25, 2022, the SED issued a proposed administrative enforcement order alleging that the Utility violated CPUC regulations and Public Utilities Code Section 451 in connection with the CPUC's investigation of the 2020 Zogg fire. The proposed order recommends a penalty of \$155 million. By November 21, 2022, the Utility must either agree to pay the penalty upon adoption of a final order by the CPUC or request a hearing on the proposed order. PG&E Corporation and the Utility believe it is probable that they will incur a loss, but the amount of that loss is not reasonably estimable at this time because the Utility intends to request a hearing to challenge the proposed order.

Various other entities, which may include other law enforcement agencies, may also be investigating the fire. It is uncertain when any such investigations will be complete.

As of October 20, 2022, PG&E Corporation and the Utility are aware of approximately 28 complaints on behalf of at least 496 plaintiffs related to the 2020 Zogg fire. The plaintiffs seek damages that include wrongful death, property damage, economic loss, punitive damages, exemplary damages, attorneys' fees and other damages. The plaintiffs filed master complaints on August 6, 2021, and PG&E Corporation's and the Utility's answer was filed on September 7, 2021, and PG&E Corporation and the Utility filed a demurrer with respect to the plaintiffs' inverse condemnation claims. On December 10, 2021, the court overruled the demurrer. In addition, on March 18, 2022, Cal Fire filed a complaint against the Utility in the coordinated proceeding seeking to recover approximately \$34.5 million for fire suppression and other costs incurred in connection with the 2020 Zogg fire. The Utility filed an answer to Cal Fire's complaint on May 3, 2022. On October 4, 2022, the court granted the parties' stipulated motion to continue the February 6, 2023 trial date to May 30, 2023.

Based on the current state of the law concerning inverse condemnation in California and the facts and circumstances available to PG&E Corporation and the Utility as of the date of this filing, including Cal Fire's determination of the cause and the information gathered as part of PG&E Corporation's and the Utility's investigation, PG&E Corporation and the Utility believe it is probable that they will incur a loss in connection with the 2020 Zogg fire. PG&E Corporation and the Utility recorded a liability in the aggregate amount of \$375 million as of December 31, 2021 (before available insurance). The aggregate liability remained unchanged as of September 30, 2022.

PG&E Corporation's and the Utility's accrued estimated losses do not include, among other things: (i) any amounts for potential penalties, fines, or restitution that may be imposed by courts or other governmental entities on PG&E Corporation or the Utility, (ii) any punitive damages, (iii) any amounts in respect of compensation claims by federal or state agencies other than state fire suppression costs, (iv) evacuation costs, or (v) any other amounts that are not reasonably estimable.

The following table presents changes in the lower end of the range of PG&E Corporation's and the Utility's reasonably estimable range of losses for claims arising from the 2020 Zogg fire since December 31, 2021.

Loss Accrual (in millions)

Balance at December 31, 2021	\$	211
Accrued Losses		—
Payments		(137)
Balance at September 30, 2022	\$	74

The Utility has liability insurance for third-party liability attributable to the 2020 Zogg fire in an aggregate amount of \$611 million. As of September 30, 2022, the Utility recorded an insurance receivable for \$347 million for probable insurance recoveries in connection with the 2020 Zogg fire, which equals the \$375 million probable loss estimate less an initial self-insured retention of \$60 million, plus \$32 million in legal fees incurred. Recovery under the Utility's wildfire insurance policies for the 2021 Dixie fire will reduce the amount of insurance proceeds available for the 2020 Zogg fire by the same amount up to \$600 million and vice versa.

2021 Dixie Fire

According to the Cal Fire Investigation Report on the 2021 Dixie fire (the "Cal Fire Investigation Report"), on July 13, 2021, at approximately 5:07 p.m. Pacific Time, a wildfire began in the Feather River Canyon near Cresta Dam (the "2021 Dixie fire"), located in the service territory of the Utility. According to the Cal Fire Investigation Report, the 2021 Dixie fire consumed 963,309 acres and resulted in 1,311 structures destroyed and 94 structures damaged (including 763 residential homes, 12 multi-family homes, 8 commercial residential homes, 148 nonresidential commercial structures, and 466 detached structures), and four first-responder injuries. The Cal Fire Investigation Report does not attribute a fatality that was previously published in an October 25, 2021 Cal Fire incident report to the 2021 Dixie fire.

On January 4, 2022, Cal Fire issued a press release with its determination that the 2021 Dixie fire was caused by a tree contacting electrical distribution lines owned and operated by the Utility. On June 7, 2022, the Utility received a copy of the Cal Fire Investigation Report, which states that the fire ignited when a tree fell and contacted electrical distribution lines owned and operated by the Utility, and the Cal Fire Investigation Report has been made publicly available. The Cal Fire Investigation Report alleges that the Utility acted negligently in its response to the initial outage and fault that caused the 2021 Dixie fire. The Cal Fire Investigation Report also alleges that the subject tree had visible outward signs of damage and decay which would have been noticeable at the ground level, and that a brief visual inspection should have discovered the decay. The Utility has not been provided the report of Cal Fire's expert arborist. Based on the information currently available to the Utility, including its inspection records, operating and inspection protocols and procedures, implementation of those protocols and procedures, and day-of-event response, the Utility believes its personnel acted reasonably (within the meaning of the applicable prudence standard discussed under "Regulatory Recovery" below) given the information available at the time and followed applicable policies and protocols both before ignition and in the day-of-event response. While an intervenor in a future cost recovery proceeding may argue the Cal Fire Investigation Report itself creates serious doubt with respect to the reasonableness of the Utility's conduct, PG&E Corporation and the Utility do not believe the report identifies sufficient facts to shift the burden of proof applicable in a proceeding for cost recovery to the Utility. (See "Regulatory Recovery" and "Wildfire Fund under AB 1054"). PG&E Corporation and the Utility disagree with the allegations of the Cal Fire Investigation Report and plan to vigorously contest them. However, if the CPUC or the FERC were to reach conclusions similar to those of the Cal Fire Investigation Report, it may determine that the Utility had been imprudent, in which case some or all of its costs recorded to the WEMA would not be recoverable, the Utility would not be able to recover costs through FERC TO rates, or the Utility would be required to reimburse the Wildfire Fund for the costs and expenses that are allocated to it.

The District Attorneys' Offices of Butte County, Plumas County, Shasta County, Lassen County and Tehama County (the "North State Counties"), as well as the SED and OEIS, have been investigating the fire; various other entities, which may include other state and federal law enforcement agencies, may also be investigating the fire. The United States Attorney's Office for the Eastern District of California issued a subpoena for documents as well. PG&E Corporation and the Utility are cooperating with the investigations. Except for the investigation by the District Attorneys of the North State Counties, it is uncertain when any other such investigations will be complete. PG&E Corporation and the Utility are also conducting their own investigation into the cause of the 2021 Dixie fire. This investigation is ongoing, and PG&E Corporation and the Utility do not have access to the evidence in the possession of Cal Fire or other third parties.

On April 11, 2022, the Utility and the District Attorneys of the North State Counties filed a civil stipulated judgment to permanently resolve any potential state criminal prosecution of the Utility in connection with the 2021 Dixie fire (the "Dixie Stipulation") without the Utility admitting any liability, and the Court entered the judgment on that same date. Subject to the terms and conditions of the Dixie Stipulation, the Utility will pay a total of \$34.75 million, which will not be recoverable through rates. Pursuant to the Dixie Stipulation, the Utility has also agreed to: (i) fill at least 80 new internal employee positions headquartered in or serving the North State Counties; (ii) take certain other wildfire mitigation actions consistent with its WMP; (iii) engage an independent compliance monitor for five years to monitor the Utility's compliance with certain commitments under the Dixie Stipulation, including its commitments to carry out vegetation management and equipment inspections in the North State Counties consistent with its WMP; (iv) take good faith steps to initiate mediations with certain commercial timber landowners; and (v) initiate an expedited compensation program under which individuals whose homes, including mobile homes, were destroyed by the 2021 Dixie fire can submit an electronic claim form and supporting documentation, and the Utility will make them an offer to resolve their loss based on an objective, pre-determined valuation framework. The Dixie Stipulation also permanently resolved any potential state criminal prosecution of the Utility in connection with the 2021 Fly fire, which merged with the 2021 Dixie fire. In the first quarter of 2022, PG&E Corporation and the Utility recorded \$34.75 million within Other current liabilities and Other noncurrent liabilities in connection with the Dixie Stipulation. As of September 30, 2022, \$29.75 million has been paid pursuant to the Dixie Stipulation.

As of October 20, 2022, PG&E Corporation and the Utility are aware of approximately 54 complaints on behalf of at least 1,444 plaintiffs related to the 2021 Dixie fire and expect that they may receive further such complaints. The plaintiffs seek damages that include property damage, economic loss, punitive damages, exemplary damages, attorneys' fees and other damages. On July 27, 2022, the court set a trial date of June 5, 2023.

Based on the current state of the law concerning inverse condemnation in California and the facts and circumstances available to PG&E Corporation and the Utility as of the date of this filing, including Cal Fire's determination of the cause and the information gathered as part of PG&E Corporation's and the Utility's investigation, PG&E Corporation and the Utility believe it is probable that they will incur a loss in connection with the 2021 Dixie fire. PG&E Corporation and the Utility recorded a liability in the aggregate amount of \$1.15 billion as of the year ended December 31, 2021 (before available recoveries). The aggregate liability remained unchanged as of September 30, 2022.

PG&E Corporation's and the Utility's accrued estimated losses of \$1.15 billion represent only claims based on the doctrine of inverse condemnation and do not include, among other things: (i) any amounts for potential penalties or fines that may be imposed by courts or other governmental entities on PG&E Corporation or the Utility, (ii) any punitive damages, (iii) any amounts in respect of compensation claims by federal or state agencies including for state or federal fire suppression costs and damages related to federal land, (iv) evacuation costs, or (v) any other amounts that are not reasonably estimable.

As noted above, the aggregate estimated liability for claims in connection with the 2021 Dixie fire does not include potential claims for fire suppression costs from federal, state, county, or local agencies or damage to land and vegetation in national parks or national forests. As to these damages, PG&E Corporation and the Utility have not concluded that a loss is probable. PG&E Corporation and the Utility are currently unable to reasonably estimate the range of possible losses for any such claims due to, among other factors, incomplete information as to facts pertinent to potential claims and defenses, as well as facts that would bear on the amount, type, and valuation of vegetation loss, potential reforestation, habitat loss, and other resources damaged or destroyed by the 2021 Dixie fire. PG&E Corporation and the Utility believe, however, that such losses could be significant with respect to fire suppression costs due to the size and duration of the 2021 Dixie fire and corresponding magnitude of fire suppression resources dedicated to fighting the 2021 Dixie fire and with respect to claims for damage to land and vegetation in national parks or national forests due to the very large number of acres of national park and national forests that were affected by the 2021 Dixie fire. According to the Cal Fire Investigation Report, over \$650 million of costs had been incurred in suppressing the 2021 Dixie fire. The Utility currently estimates that the fire burned approximately 70,000 acres of national parks and approximately 685,000 acres of national forests.

The following table presents changes in the lower end of the range of PG&E Corporation's and the Utility's reasonably estimable range of losses for claims arising from the 2021 Dixie fire since December 31, 2021.

Loss Accrual (in millions)

Balance at December 31, 2021	\$	1,150
Accrued Losses		—
Payments		(32)
Balance at September 30, 2022	\$	1,118

The Utility has liability insurance coverage for third-party liability in an aggregate amount of \$900 million. Recovery under the Utility's wildfire insurance policies for the 2020 Zogg fire will reduce the amount of insurance proceeds available for the 2021 Dixie fire by the same amount up to \$600 million and vice versa. As of September 30, 2022, the Utility recorded an insurance receivable of \$553 million for probable insurance recoveries in connection with the 2021 Dixie fire, which equals the aggregate \$900 million of available insurance coverage for third-party liability attributable to the 2021 Dixie fire, less the \$347 million insurance receivable recorded in connection with the 2020 Zogg fire.

As of September 30, 2022, the Utility recorded a Wildfire Fund receivable of \$150 million for probable recoveries in connection with the 2021 Dixie fire. AB 1054 provides that the CPUC may allocate costs and expenses in the application for cost recovery in full or in part taking into account factors both within and beyond the utility's control that may have exacerbated the costs and expenses, including humidity, temperature, and winds. PG&E Corporation and the Utility believe that, even if it found that the Utility acted unreasonably, the CPUC would nevertheless authorize recovery in part. See "Wildfire Fund under AB 1054" below. The Utility also recorded a \$106 million reduction to its regulatory liability for wildfire-related claims costs that were determined to be probable of recovery through the FERC TO formula rate and a \$367 million regulatory asset for costs that were determined to be probable of recovery through the WEMA. See "Regulatory Recovery" below. Decreases in the amount of the insurance receivable for the 2021 Dixie fire may also increase the amount that is probable of recovery through the FERC TO formula rate and the WEMA. An immaterial increase was recorded in the third quarter of 2022.

2022 Mosquito Fire

On September 6, 2022, at approximately 6:17 p.m. Pacific Time, the Utility was notified that a wildfire had ignited near OxBow Reservoir in Placer County, California (the "2022 Mosquito fire"), located in the service territory of the Utility. The National Wildfire Coordinating Group's InciWeb incident overview dated October 25, 2022 at 6:30 p.m. Pacific Time indicated that the 2022 Mosquito fire had consumed approximately 76,788 acres at that time. It also indicated no fatalities, no injuries, 13 structures damaged, and 78 structures destroyed and that the fire was 100% contained.

The USFS has indicated to the Utility an initial assessment that the fire started in the area of the Utility's power line on National Forest System lands and that the USFS is conducting a criminal investigation into the 2022 Mosquito fire. On September 24, 2022, the USFS removed and took possession of one of the Utility's transmission poles and attached equipment. The USFS has not issued a determination as to the cause.

The cause of the 2022 Mosquito fire remains under investigation by the USFS and the US Department of Justice ("DOJ"), and PG&E Corporation and the Utility are cooperating with the investigation. PG&E Corporation and the Utility have received document and information requests from the DOJ. It is uncertain when any such investigations will be complete. PG&E Corporation and the Utility are also conducting their own investigation into the cause of the 2022 Mosquito fire. This investigation is preliminary, and PG&E Corporation and the Utility do not currently have access to the evidence in the possession of the USFS, DOJ, or other third parties.

As of October 20, 2022, PG&E Corporation and the Utility are aware of approximately three complaints on behalf of at least 34 plaintiffs related to the 2022 Mosquito fire and expect that they may receive further such complaints. The plaintiffs seek damages that include property damage, economic loss, punitive damages, exemplary damages, attorneys' fees and other damages.

Based on the current state of the law concerning inverse condemnation in California and the facts and circumstances available to PG&E Corporation and the Utility as of the date of this filing, including the information gathered as part of PG&E Corporation's and the Utility's investigation, PG&E Corporation and the Utility believe it is probable that they will incur a loss in connection with the 2022 Mosquito fire. PG&E Corporation and the Utility recorded a liability in the aggregate amount of \$100 million as of the quarter ended September 30, 2022 (before available recoveries).

PG&E Corporation's and the Utility's accrued estimated losses represent only claims based on the doctrine of inverse condemnation and do not include, among other things: (i) any amounts for potential penalties or fines that may be imposed by courts or other governmental entities on PG&E Corporation or the Utility, (ii) any punitive damages, (iii) any amounts in respect of compensation claims by federal or state agencies including for state or federal fire suppression costs and damages related to federal land, (iv) evacuation costs, or (v) any other amounts that are not reasonably estimable. The Utility's accrued estimated losses also do not include any assumptions regarding offsetting recoveries from third-parties (outside of the Utility's insurers).

As noted above, the aggregate estimated liability for claims in connection with the 2022 Mosquito fire does not include potential claims for fire suppression costs from federal, state, county, or local agencies or damage to land and vegetation in national parks or national forests. As to these damages, PG&E Corporation and the Utility have not concluded that a loss is probable. PG&E Corporation and the Utility are currently unable to reasonably estimate the range of possible losses for any such claims due to, among other factors, incomplete information as to facts pertinent to potential claims and defenses, as well as facts that would bear on the amount, type, and valuation of vegetation loss, potential reforestation, habitat loss, and other resources damaged or destroyed by the 2022 Mosquito fire.

The Utility has liability insurance coverage for third-party liability in an aggregate amount of \$940 million, with a deductible of \$60 million. As of September 30, 2022, the Utility recorded an insurance receivable of \$40 million for probable insurance recoveries in connection with the 2022 Mosquito fire. As of September 30, 2022, the Utility also recorded a \$10 million regulatory asset for costs that were determined to be probable of recovery through the FERC TO formula rate and a \$50 million regulatory asset for costs that were determined to be probable of recovery through the WEMA. See "Regulatory Recovery" below.

Loss Recoveries

PG&E Corporation and the Utility have recovery mechanisms available for wildfire liabilities including from insurance, customers, and the Wildfire Fund. PG&E Corporation and the Utility record a receivable for a recovery when it is deemed probable that recovery of a recorded loss will occur, and the Utility can reasonably estimate the amount or its range. While the Utility plans to seek recovery of all insured losses, it is unable to predict the ultimate amount and timing of such recoveries. For more information on the applicable facts and circumstances of the corresponding wildfires, see "2019 Kincade Fire," "2020 Zogg Fire," "2021 Dixie Fire," and "2022 Mosquito Fire."

Total probable recoveries for the 2021 Dixie fire and the 2022 Mosquito fire as of September 30, 2022 are:

Potential Recovery Source (in millions)	2022 Mosquito fire	2021 Dixie fire
Insurance	\$ 40	\$ 553
FERC TO rates	10	106
WEMA	50	367
Wildfire Fund	—	150
Probable recoveries at September 30, 2022	\$ 100	\$ 1,176

The Utility could be subject to significant liability in connection with these wildfire events. If such liability is not recoverable from insurance or the other mechanisms described in this section, it could have a material impact on PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

Insurance

Insurance Coverage

In April 2022, the Utility purchased approximately \$340 million in wildfire liability insurance coverage for the period from April 1, 2022 to April 1, 2023, at a cost of approximately \$263 million. Additionally, the Utility purchased approximately \$600 million in wildfire liability insurance in August 2022 for the period from August 1, 2022 to August 1, 2023, at a cost of approximately \$516 million. The Utility's wildfire liability insurance is subject to an initial self-insured retention of \$60 million.

In April 2022, the Utility purchased approximately \$725 million in non-wildfire liability coverage for the period from April 1, 2022 to April 1, 2023 at a cost of approximately \$154 million. The Utility's non-wildfire liability insurance is subject to an initial self-insured retention of \$10 million. As of September 30, 2022, PG&E Corporation and the Utility had prepaid insurance of \$673 million, reflected in Other current assets on the Condensed Consolidated Balance Sheets.

Various coverage limitations applicable to different insurance layers could result in material uninsured costs in the future depending on the amount and type of damages resulting from covered events.

In the Utility's 2020 GRC proceeding, the CPUC also approved a settlement agreement provision that allows the Utility to recover annual insurance costs for up to \$1.4 billion in excess liability insurance coverage. For more information about the RTBA, see Note 4 above.

Insurance Receivable

Through September 30, 2022, PG&E Corporation and the Utility recorded \$430 million, \$347 million, \$553 million, and \$40 million for probable insurance recoveries in connection with the 2019 Kincade fire, the 2020 Zogg fire, the 2021 Dixie fire, and the 2022 Mosquito fire, respectively. PG&E Corporation and the Utility intend to seek full recovery for all insured losses.

The balances for insurance receivables with respect to wildfires are included in Other accounts receivable in PG&E Corporation's and the Utility's Condensed Consolidated Balance Sheets:

Insurance Receivable (in millions)	2022 Mosquito fire	2021 Dixie fire	2020 Zogg fire	2019 Kincade fire	Total
Balance at December 31, 2021	\$ —	\$ 563	\$ 270	\$ 414	\$ 1,247
Accrued insurance recoveries ⁽¹⁾	\$ 40	(10)	10	—	40
Reimbursements	—	—	(142)	(25)	(167)
Balance at September 30, 2022	\$ 40	\$ 553	\$ 138	\$ 389	\$ 1,120

⁽¹⁾ For the nine months ended September 30, 2022, the accrued insurance recoveries decreased for the 2021 Dixie fire with a corresponding increase to the 2020 Zogg fire for \$10 million.

During the nine months ended September 30, 2022, PG&E Corporation and the Utility resolved property related claims in the amount of \$468 million, of which approximately \$239 million is reflected in Accounts receivable, other on the Condensed Consolidated Financial Statements (excluded from the table above).

Regulatory Recovery

Section 451.1 of the Public Utilities Code provides that when determining an application to recover costs and expenses arising from a covered wildfire, the CPUC shall allow cost recovery if the costs and expenses are just and reasonable (i.e., the "prudence standard"). AB 1054 states that a utility with a valid safety certification for the time period in which a covered wildfire ignited "shall be deemed to have been reasonable" unless "a party to the proceeding creates a serious doubt as to the reasonableness of the [Utility's] conduct," in which case the burden shifts to the utility to prove its conduct was reasonable. The Utility had a valid safety certification at the time of the 2021 Dixie fire and the 2022 Mosquito fire, so any analysis of cost recovery starts with this presumption. AB 1054 also allows the CPUC to allocate costs and expenses "in full or in part taking into account factors both within and beyond the Utility's control that may have exacerbated the costs and expenses, including humidity, temperature, and winds."

The Utility's recorded receivables under the WEMA and with respect to the Wildfire Fund take into account this revised prudence standard and the presumption of reasonableness of the Utility's conduct, based on the Utility's interpretation of AB 1054 and the information currently available to the Utility. Although the concept of "serious doubt" has been applied in other regulatory proceedings, such as FERC proceedings, the revised prudence standard under AB 1054 has not been interpreted or applied by the CPUC and it is possible that the CPUC could interpret or apply the standard differently, in which case the Utility may not be able to recover all or a portion of expenses that it has recorded as a receivable.

FERC TO rates

The Utility recognizes income and reduces its regulatory liability for potential refund through future FERC TO formula rates for a portion of the third-party wildfire-related claims in excess of insurance coverage. The FERC presumes that a utility's expenditures are prudent and permits cost recovery unless a party raises a serious doubt regarding the prudence of such costs. The allocation to transmission customers was based on a FERC-approved allocation factor as determined in the formula rate. Based on information currently available to the Utility regarding the 2021 Dixie fire and the 2022 Mosquito fire, as of September 30, 2022, the Utility recorded reductions of \$106 million and \$10 million, respectively, to its regulatory liability for wildfire-related claims costs that were determined to be probable of recovery through the FERC TO formula rate.

WEMA

The WEMA provides for tracking of incremental wildfire claims, outside legal costs, and insurance premiums above those authorized in rates. With respect to wildfire claims and outside legal costs, the Utility expects that the same prudence standard as applies to the Wildfire Fund would also be applied in any CPUC review of an application filed by the Utility seeking recovery of such costs recorded to the WEMA. See "Wildfire Fund under AB 1054" below. As of September 30, 2022, based on information currently available to the Utility, incremental wildfire claims-related costs for the 2021 Dixie fire and the 2022 Mosquito fire were determined to be probable of recovery and the Utility recorded \$367 million and \$50 million, respectively, as regulatory assets in the WEMA. Cost recovery for incremental insurance premiums is addressed through balancing account mechanisms.

Wildfire Fund under AB 1054

On July 12, 2019, the California governor signed into law AB 1054, a bill which provides for the establishment of a statewide fund that will be available for eligible electric utility companies to pay eligible claims for liabilities arising from wildfires occurring after July 12, 2019 that are caused by the applicable electric utility company's equipment, subject to the terms and conditions of AB 1054. Each of California's large electric IOUs has elected to participate in the Wildfire Fund. Eligible claims are claims for third-party damages resulting from any such wildfires, limited to the portion of such claims that exceeds the greater of (i) \$1.0 billion in the aggregate in any Coverage Year and (ii) the amount of insurance coverage required to be in place for the electric utility company pursuant to Section 3293 of the Public Utilities Code, added by AB 1054. The accrued Wildfire Fund receivable as of September 30, 2022 reflects an expectation that the Coverage Year will be based on the calendar year with coverage limited to the 2021 Dixie fire. For 2022, PG&E Corporation and the Utility have elected a Coverage Year that commences on January 1, 2022 at 12:01 a.m. Pacific Time and ends on December 31, 2022 at 12:00 a.m. Pacific Time.

Electric utility companies that draw from the Wildfire Fund will only be required to reimburse amounts that are determined by the CPUC in a proceeding for cost recovery not to be just and reasonable, applying the prudence standard in AB 1054 and after allocating costs and expenses based on relevant factors that may have exacerbated the costs and expenses, subject to a disallowance cap equal to 20% of the IOU's transmission and distribution equity rate base. For the Utility, the disallowance cap would be approximately \$3.0 billion based on its 2022 equity rate base, which is subject to adjustment based on changes in the Utility's total transmission and distribution equity rate base and would apply for a three calendar-year period. The disallowance cap is inapplicable in certain circumstances, including if the Wildfire Fund administrator determines that the electric utility company's actions or inactions that resulted in the applicable wildfire constituted "conscious or willful disregard for the rights and safety of others," or the electric utility company failed to maintain a valid safety certification. Costs that the CPUC determines to be just and reasonable in accordance with the prudence standard in AB 1054 will not be reimbursed to the Wildfire Fund, resulting in a draw-down of the Wildfire Fund.

Before the expiration of any current safety certification, the Utility must request a new safety certification from the OEIS, which the Utility expects to be issued within 90 days if the Utility has provided documentation that it has satisfied the requirements for the safety certification pursuant to Section 8389(e) of the Public Utilities Code, added by AB 1054. An issued safety certification is valid for 12 months or until a timely request for a new safety certification is acted upon, whichever occurs later. The safety certification is separate from the CPUC's enforcement authority and does not preclude the CPUC from pursuing remedies for safety or other applicable violations. On January 31, 2022, the OEIS approved the Utility's 2021 application and issued the Utility's 2021 safety certification. On September 14, 2022, the Utility submitted its 2022 safety certificate request.

The Wildfire Fund and disallowance cap will be terminated when the amounts therein are exhausted. The Wildfire Fund is expected to be capitalized with (i) \$10.5 billion of proceeds of bonds supported by a 15-year extension of the DWR charge to customers, (ii) \$7.5 billion in initial contributions from California's three large electric IOUs and (iii) \$300 million in annual contributions paid by California's three large electric IOUs for a 10-year period.

The Wildfire Fund will only be available for payment of eligible claims so long as there are sufficient funds remaining in the Wildfire Fund. Such funds could be depleted more quickly than expected, including as a result of claims made by California's other participating electric utility companies. The Wildfire Fund is available to pay for the Utility's eligible claims arising as of July 12, 2019, the effective date of AB 1054, subject to a limit of 40% of the allowed amount of such claims arising between the effective date of AB 1054 and the Utility's emergence from Chapter 11. The 40% limit does not apply to eligible claims that arise after the Utility's emergence from Chapter 11.

As of September 30, 2022, PG&E Corporation and the Utility recorded \$150 million in Other noncurrent assets for Wildfire Fund receivables related to the 2021 Dixie fire.

For more information see Note 3 above.

Wildfire-Related Securities Claims, Fire Victim Trust D&O Claims and Potential Insurance Recoveries

As further described under the headings "Wildfire-Related Securities Class Action" and "Wildfire-Related Securities Claims—Claims in the Bankruptcy Court Process," PG&E Corporation and the Utility face certain wildfire-related securities claims related to the 2017 Northern California wildfires and other claims related to the 2018 Camp fire and the PSPS program in the Chapter 11 Cases (i.e., the Subordinated Claims), and certain former directors, current and former officers, and underwriters of certain note offerings face wildfire-related securities claims in the District Court action. These securities claims are collectively referred to in this section as the "Wildfire-Related Securities Claims."

Based on discussions with certain holders of Wildfire-Related Securities Claims, as well as the terms of the FVT D&O Claims Settlement Agreement (as defined below) and the settlement agreements with carriers of the D&O Insurance policies, PG&E Corporation believes it is probable that it will incur a loss in connection with the Wildfire-Related Securities Claims. As of September 30, 2022 and each as further described below:

- For the Wildfire-Related Securities Claims, based on discussions with the plaintiffs in the consolidated securities action, PG&E Corporation recorded a liability in the aggregate amount of \$300 million (before available insurance), which represents its best estimate of probable losses for such claims, though actual losses could be greater or less than this estimate.
- For the Insurance Coverage Claims, PG&E Corporation entered into agreements with certain of its D&O Insurance carriers to settle the majority of the Insurance Coverage Claims and recorded an insurance receivable for \$272 million. PG&E Corporation records a receivable for a recovery when it is deemed probable that recovery of a recorded loss will occur, and PG&E Corporation can reasonably estimate the amount or its range.
- For the Fire Victim Trust D&O Claims, the parties entered into a settlement agreement (the "FVT D&O Claims Settlement Agreement") pursuant to which PG&E Corporation, the Utility, and certain former director and officer defendants will cause \$117 million to be paid to the Fire Victim Trust from D&O insurance policy proceeds, subject to certain conditions. Proceeds from the D&O Insurance coverage will be paid first to the Fire Victim Trust for the Fire Victim Trust D&O Claims, and then PG&E Corporation intends to apply the remaining proceeds to the Wildfire-Related Securities Claims. Accordingly, PG&E Corporation recorded a \$117 million payable to the Fire Victim Trust in the second quarter of 2022.

As a result, PG&E Corporation believes it is probable that it will incur a net loss of \$145 million in connection with these matters. As of September 30, 2022, the net loss is reflected in Other income (expense), net on PG&E Corporation's Condensed Consolidated Statements of Income.

In the event that one or more of the settlements in these matters does not become effective, some or all parties are expected to continue to litigate, and at least some of the amounts of PG&E Corporation's expected liabilities will remain uncertain.

Wildfire-Related Derivative Litigation

Two purported derivative lawsuits alleging claims for breach of fiduciary duties and unjust enrichment were filed in the San Francisco County Superior Court on November 16, 2017 and November 20, 2017, respectively, naming as defendants certain then-current and former members of the boards of directors and certain then-current and former officers of PG&E Corporation and the Utility. PG&E Corporation and the Utility were named as nominal defendants. These lawsuits were consolidated by the court on February 14, 2018 and denominated *In Re California North Bay Fire Derivative Litigation* (now re-captioned *Trotter v. Williams et al.*). On April 13, 2018, the plaintiffs filed a consolidated complaint. On January 28, 2019, this matter was automatically stayed by PG&E Corporation's and the Utility's commencement of the Chapter 11 Cases. PG&E Corporation's and the Utility's rights with respect to PG&E Corporation's and the Utility's claims, if any, directly or indirectly related to any of the Fires (as defined in the Plan) against former officers and directors of PG&E Corporation and the Utility were assigned to the Fire Victim Trust under the Plan (the "Fire Victim Trust D&O Claims"). Any such recovery was limited to the extent of any D&O Insurance policy proceeds paid by any insurance carrier on behalf of PG&E Corporation or the Utility for amounts owed pursuant to their indemnification obligations in connection with such causes of action. On March 8, 2021, the court granted a stipulation by the parties to substitute the trustee for the Fire Victim Trust as the plaintiff.

On December 24, 2018, a separate derivative lawsuit, entitled *Bowlinger v. Chew, et al.* (now captioned *Trotter v. Chew, et al.*), was filed in San Francisco Superior Court, alleging claims for breach of fiduciary duty, abuse of control, corporate waste, and unjust enrichment in connection with the 2018 Camp fire against certain then-current and former officers and directors, and naming PG&E Corporation and the Utility as nominal defendants. On November 5, 2020, the court entered a stipulation and order to substitute the trustee for the Fire Victim Trust as the plaintiff.

On February 24, 2021, the trustee filed an amended complaint in the *Trotter v. Chew* action, asserting two direct claims for breach of fiduciary duty against certain of PG&E Corporation's and the Utility's former directors and officers. Neither PG&E Corporation nor the Utility was a party to the action. On March 30, 2021, the *Trotter v. Chew* and *Trotter v. Williams* actions were consolidated. On April 26, 2021, the defendants filed demurrers to the amended complaint, which the court sustained in part and overruled in part on November 8, 2021. On November 18, 2021, the trustee filed a second amended complaint. On December 21, 2021, the defendants filed demurrers to the second amended complaint, which the court overruled. On March 10, 2022, the defendants filed motions for summary judgment.

On July 26, 2022, PG&E Corporation, the Utility, certain former director and officer defendants, and the Fire Victim Trust entered into the FVT D&O Claims Settlement Agreement, pursuant to which PG&E Corporation, the Utility, and certain former director and officer defendants will cause \$117 million to be paid to the Fire Victim Trust from D&O Insurance policy proceeds, and the Fire Victim Trust will release, among other things, any claims related to the assigned claims and the pursuit of the *Trotter v. Chew* action. Pursuant to the Plan, the settlement amount must be paid solely from insurance proceeds from the "Side B" D&O Insurance coverage. Accordingly, the settlement is contingent upon, among other things, a final order from the Bankruptcy Court approving settlements among PG&E Corporation, the Utility, and their D&O Insurance carriers (see "Indemnification Obligations and D&O Insurance Coverage" below). The settlement is also contingent upon an order from the Bankruptcy Court approving a settlement of the claims described under the heading "Wildfire-Related Securities Class Action" below, subject to certain exceptions. As a result of the FVT D&O Claims Settlement Agreement, the *Trotter v. Chew* action has been stayed. As of September 30, 2022, PG&E Corporation recorded a \$117 million payable to the Fire Victim Trust.

On January 25, 2019, a separate purported derivative lawsuit, entitled *Hagberg v. Chew, et al.*, was filed in San Francisco Superior Court, alleging claims for breach of fiduciary duty, abuse of control, corporate waste, and unjust enrichment in connection with the 2018 Camp fire against certain then-current and former officers and directors, and naming PG&E Corporation and the Utility as nominal defendants. The plaintiff filed a request to dismiss this action, and on October 12, 2022, the court dismissed the action.

Securities Class Action Litigation

Wildfire-Related Securities Class Action

In June 2018, two purported securities class actions were filed in the District Court, naming PG&E Corporation and certain of its then-current and former officers as defendants, entitled *David C. Weston v. PG&E Corporation, et al.* and *Jon Paul Moretti v. PG&E Corporation, et al.*, respectively. The complaints alleged material misrepresentations and omissions in various PG&E Corporation public disclosures related to, among other things, vegetation management and other issues connected to the 2017 Northern California wildfires. The complaints asserted claims under Section 10(b) and Section 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, and sought unspecified monetary relief, interest, attorneys' fees and other costs. Both complaints identified a proposed class period of April 29, 2015 to June 8, 2018. On September 10, 2018, the court consolidated both cases, and the litigation is now denominated *In re PG&E Corporation Securities Litigation*, U.S. District Court for the Northern District of California, Case No. 18-03509. The court also appointed PERA as lead plaintiff. PERA filed a consolidated amended complaint on November 9, 2018. On December 14, 2018, PERA filed a second amended consolidated complaint to add allegations regarding the 2018 Camp fire, including allegations regarding transmission line safety and the PSPS program.

Due to the commencement of the Chapter 11 Cases, the proceedings were automatically stayed as to PG&E Corporation and the Utility.

On February 22, 2019, a third purported securities class action was filed in the District Court, entitled *York County on behalf of the York County Retirement Fund, et al. v. Rambo, et al.* (the "York County Action"). The complaint named as defendants certain then-current and former officers and directors, as well as the underwriters of four public offerings of notes from 2016 to 2018. Neither PG&E Corporation nor the Utility was named as a defendant. The complaint asserted claims under Section 11 of the Securities Act based on alleged material misrepresentations and omissions in connection with the note offerings related to, among other things, PG&E Corporation's and the Utility's vegetation management and wildfire safety measures. On May 7, 2019, the York County Action was consolidated with *In re PG&E Corporation Securities Litigation*.

On May 28, 2019, the plaintiffs in the consolidated securities actions filed a third amended consolidated class action complaint, which includes the claims asserted in the previously filed actions and names as defendants PG&E Corporation, the Utility, certain current and former officers and former directors, and the underwriters. On August 28, 2019, the Bankruptcy Court denied PG&E Corporation's and the Utility's request to extend the stay to the claims against the officer, director, and underwriter defendants. On October 4, 2019, the officer, director, and underwriter defendants filed motions to dismiss the third amended complaint, which motions are under submission with the District Court. The securities actions have been enjoined as to PG&E Corporation and the Utility pursuant to the Plan with any such claims submitted through a proof of claim to be resolved by the Bankruptcy Court as part of the claims reconciliation process in the Chapter 11 Cases. On April 29, 2021, the District Court issued a notice of intent to stay this action pending completion of the claims procedures in the bankruptcy proceedings. PERA filed objections to the notice of intent to stay on May 28, 2021. PG&E Corporation and the Utility filed a response to PERA's objections on June 10, 2021, the officer, director, and underwriter defendants filed a response to PERA's objections on June 11, 2021, and PERA filed a sur-response on June 21, 2021. On September 30, 2022, the District Court issued an order staying the action pending resolution of the bankruptcy proceedings. Accordingly, the District Court administratively closed the case, subject to a motion by the parties thereto to reopen the case.

Based on discussions with the plaintiffs in this matter, PG&E Corporation believes it is probable that it will incur a loss in connection with this matter. In the second quarter of 2022, PG&E Corporation recorded a liability in the aggregate amount of \$300 million (before available insurance), which represents its best loss estimate for the Wildfire-Related Securities Claims. PG&E Corporation believes that it is reasonably possible that the amount of loss could be greater or less than the accrued estimated amount but is unable to reasonably estimate any additional loss because the amount of the liability has not been agreed or otherwise determined, and even if PG&E Corporation were to enter into an agreement with representatives of the plaintiffs in this matter (which would also resolve proofs of claim by these plaintiffs in the bankruptcy), any such agreement would be subject to, among other things, approval by the Bankruptcy Court and the District Court, and class members would have the right to opt out of any such agreement.

PG&E Corporation and the Utility intend to resolve claims filed in the bankruptcy relating to, among others, the three purported securities class actions (described above) that have been consolidated and denominated *In re PG&E Corporation Securities Litigation*, U.S. District Court for the Northern District of California, Case No. 18-03509, pursuant to the Plan. As described above, these claims consist of pre-petition claims under the federal securities laws related to, among other things, allegedly misleading statements or omissions with respect to vegetation management and wildfire safety disclosures, and are classified into separate categories under the Plan, each of which is subject to subordination under the Bankruptcy Code. The first category of claims consists of pre-petition claims arising from or related to the common stock of PG&E Corporation (such claims, with certain other similar claims against PG&E Corporation, the “HoldCo Rescission or Damage Claims”). The second category of pre-petition claims, which comprises two separate classes under the Plan, consists of claims arising from debt securities issued by PG&E Corporation and the Utility (such claims, with certain other similar claims against PG&E Corporation and the Utility, the “Subordinated Debt Claims,” and together with the HoldCo Rescission or Damage Claims, the “Subordinated Claims”).

While PG&E Corporation and the Utility believe they have defenses to the Subordinated Claims, as well as insurance coverage that may be available with respect to the Subordinated Claims, these defenses may not prevail and any such insurance coverage may not be adequate to cover the full amount of the allowed claims. In that case, PG&E Corporation and the Utility will be required, pursuant to the Plan, to satisfy any such allowed claims as follows:

- each holder of an allowed HoldCo Rescission or Damage Claim will receive a number of shares of common stock of PG&E Corporation equal to such holder’s HoldCo Rescission or Damage Claim Share (as such term is defined in the Plan); and
- each holder of an allowed Subordinated Debt Claim will receive payment in full in cash.

PG&E Corporation and the Utility have engaged in settlement efforts with respect to the Subordinated Claims. If any of the Subordinated Claims are ultimately not settled, PG&E Corporation and the Utility expect that those Subordinated Claims will be resolved by the Bankruptcy Court in the claims reconciliation process and treated as described above under the Plan. Under the Plan, after the Emergence Date, PG&E Corporation and the Utility have the authority to compromise, settle, object to, or otherwise resolve proofs of claim, and the Bankruptcy Court retains jurisdiction to hear disputes arising in connection with disputed claims. With respect to the Subordinated Claims, the claims reconciliation process may include litigation of the merits of such claims, including the filing of motions, fact discovery, and expert discovery. The total number and amount of allowed Subordinated Claims, if any, was not determined at the Emergence Date. To the extent any such claims are allowed, the total amount of such claims could be material, and therefore could result in (a) the issuance of a material number of shares of common stock of PG&E Corporation with respect to allowed HoldCo Rescission or Damage Claims, or (b) the payment of a material amount of cash with respect to allowed Subordinated Debt Claims. There can be no assurance that such claims will not have a material adverse impact on PG&E Corporation’s and the Utility’s financial condition, results of operations, liquidity, and cash flows.

Further, if shares are issued in respect of allowed HoldCo Rescission or Damage Claims, it may be determined that, under the Plan, the Fire Victim Trust should receive additional shares of common stock of PG&E Corporation such that it would have owned 22.19% of the outstanding common stock of reorganized PG&E Corporation on the Emergence Date, assuming that such issuance of shares in satisfaction of the HoldCo Rescission or Damage Claims had occurred on the Emergence Date.

On July 2, 2020, PERA filed a notice of appeal of the Confirmation Order to the District Court, solely to the extent of seeking review of that part of the Confirmation Order approving the Insurance Deduction (as defined in the Plan) with respect to the formula for the determination of the HoldCo Rescission or Damage Claims Share. On August 10, 2021, the District Court issued an order affirming the Bankruptcy Court’s ruling with respect to the Insurance Deduction. On September 9, 2021, PERA filed a notice of appeal of the District Court’s order to the United States Court of Appeals for the Ninth Circuit and on December 15, 2021, PERA filed its opening brief. On February 14, 2022 and February 17, 2022, the Official Committee of Tort Claimants appointed in the Chapter 11 Cases and both PG&E Corporation and the Utility filed their answering briefs, respectively. On May 20, 2022, the Official Committee of Tort Claimants filed a motion to dismiss the case. On June 21, 2022, PERA filed its opposition, and PG&E Corporation and the Utility joined the motion to dismiss. On June 28, 2022, the Official Committee of Tort Claimants filed its reply. PERA’s appeal to the Ninth Circuit Court of Appeals remains pending.

On September 1, 2020, PG&E Corporation and the Utility filed a motion (the “Securities Claims Procedures Motion”) with the Bankruptcy Court to approve procedures to help facilitate the resolution of the Subordinated Claims. The motion, among other things, requested approval of procedures which would allow PG&E Corporation and the Utility to collect trading information with respect to the Subordinated Claims, to engage in an alternative dispute resolution process for resolving disputed Subordinated Claims, and to file certain omnibus claim objections with respect to the Subordinated Claims. On January 25, 2021, the Bankruptcy Court granted the Securities Claims Procedures Motion.

PG&E Corporation and the Utility have worked to resolve the Subordinated Claims in accordance with the procedures approved by the Bankruptcy Court, including by collecting trading information from holders of Subordinated Claims. Also, pursuant to those procedures, PG&E Corporation and the Utility have filed numerous omnibus objections in the Bankruptcy Court to certain of the Subordinated Claims. The Bankruptcy Court has entered several orders disallowing and expunging Subordinated Claims that were subject to these omnibus objections, and certain Subordinated Claims subject to these omnibus objections remain pending. PG&E Corporation and the Utility expect to file additional omnibus objections with respect to certain of the Subordinated Claims and to continue to act under the procedures approved by the Bankruptcy Court to resolve the Subordinated Claims.

Indemnification Obligations and D&O Insurance Coverage

To the extent permitted by law, PG&E Corporation and the Utility have obligations to indemnify directors and officers for certain events or occurrences while a director or officer is or was serving in such capacity, which indemnification obligations may extend to the claims asserted against certain directors and officers in the securities class actions and in the litigation matters enumerated above under the heading “Wildfire-Related Derivative Litigation.” PG&E Corporation and the Utility maintain D&O Insurance coverage to reduce their exposure to such indemnification obligations. PG&E Corporation and the Utility have provided notice to their insurance carriers of the claims asserted in the litigation matters enumerated above under the headings “Wildfire-Related Securities Class Action” and “Wildfire-Related Derivative Litigation,” and are in arbitration with the carriers regarding, among other things, the applicability of one year of D&O Insurance policies to those matters (the “Insurance Coverage Claims”).

In July 2022, PG&E Corporation, the Utility, and the former director and officer defendants entered into agreements with certain of their D&O Insurance carriers to settle the majority of the Insurance Coverage Claims. As a result of these agreements, PG&E Corporation will receive insurance coverage in an aggregate amount of \$272 million. These settlements are contingent upon approval by the Bankruptcy Court. On September 29, 2022, PG&E Corporation and the Utility filed a motion for approval of these settlements with the Bankruptcy Court, and on October 25, 2022, the Bankruptcy Court entered an order approving these settlements. In the second quarter of 2022, PG&E Corporation recorded an insurance receivable for \$272 million. Proceeds from the D&O Insurance coverage will be paid first to the Fire Victim Trust for the Fire Victim Trust D&O Claims, and then PG&E Corporation intends to apply the remaining proceeds to the Wildfire-Related Securities Claims.

PG&E Corporation and the Utility additionally have potential indemnification obligations to the underwriters for the Utility’s note offerings, pursuant to the underwriting agreements associated with those offerings. PG&E Corporation’s and the Utility’s indemnification obligations to the officers, directors and underwriters may be limited or affected by the Chapter 11 Cases, among other things.

The extent of PG&E Corporation’s and the Utility’s recovery of the D&O Insurance proceeds could have a material effect on PG&E Corporation’s and the Utility’s financial condition, results of operations, liquidity, and cash flows.

Butte County District Attorney’s Office Investigation into the 2018 Camp Fire

Following the 2018 Camp fire, the Butte County District Attorney’s Office and the California Attorney General’s Office opened a criminal investigation of the 2018 Camp fire.

On March 17, 2020, the Utility entered into the Plea Agreement and Settlement (the “Plea Agreement”) with the People of the State of California, by and through the Butte County District Attorney’s Office to resolve the criminal prosecution of the Utility in connection with the 2018 Camp fire. Subject to the terms and conditions of the Plea Agreement, the Utility pleaded guilty to 84 counts of involuntary manslaughter in violation of Penal Code section 192(b) and one count of unlawfully causing a fire in violation of Penal Code section 452, and to admit special allegations pursuant to Penal Code sections 452.1(a)(2), 452.1(a)(3) and 452.1(a)(4).

On August 20, 2021, the Butte County Superior Court held a brief hearing on the status of restitution, which involves distribution of funds from the Fire Victim Trust. The Butte County Superior Court has since continued the hearing to May 19, 2023.

NOTE 12: OTHER CONTINGENCIES AND COMMITMENTS

PG&E Corporation and the Utility have significant contingencies arising from their operations, including contingencies related to enforcement and litigation matters and environmental remediation. A provision for a loss contingency is recorded when it is both probable that a loss has been incurred and the amount of the loss can be reasonably estimated. PG&E Corporation and the Utility evaluate the range of reasonably estimated losses and record a provision based on the lower end of the range, unless an amount within the range is a better estimate than any other amount. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. Loss contingencies are reviewed quarterly and estimates are adjusted to reflect the impact of all known information, such as negotiations, discovery, settlements and payments, rulings, penalties related to regulatory compliance, advice of legal counsel, and other information and events pertaining to a particular matter. PG&E Corporation and the Utility exclude anticipated legal costs from the provision for loss and expense these costs as incurred. The Utility also has substantial financial commitments in connection with agreements entered into to support its operating activities. See “Purchase Commitments” below. PG&E Corporation’s and the Utility’s financial condition, results of operations, liquidity, and cash flows may be materially affected by the outcome of the following matters.

CPUC and FERC Matters

Transmission Owner Rate Case Revenue Subject to Refund

The FERC determines the amount of authorized revenue requirements, including the rate of return on electric transmission assets, that the Utility may collect in rates in the TO rate case. The FERC typically authorizes the Utility to charge new rates based on the requested revenue requirement, subject to refund, before the FERC has issued a final decision. The Utility bills and records revenue based on the amounts requested in its rate case filing and records a reserve for its estimate of the amounts that are probable of refund. Rates subject to refund went into effect on March 1, 2017, March 1, 2018, and May 1, 2019 for the TO rate case for 2017 (“TO18”), the TO rate case for 2018 (“TO19”), and the TO rate case for 2019 (“TO20”), respectively.

On October 15, 2020, the FERC issued an order that, among other things, rejected the Utility’s direct assignment of common plant to FERC and required the allocation of all common plant between CPUC and FERC jurisdiction be based on operating and maintenance labor ratios. The order reopened the record for the limited purpose of allowing the parties an opportunity to present written evidence concerning the FERC’s revised ROE methodology adopted in FERC Opinion No. 569-A, issued on May 21, 2020.

On December 17, 2020 and June 17, 2021, the FERC issued orders denying requests for rehearing submitted by the Utility and intervenors. In 2021, the Utility filed four appeals. The appeals related to two issues: (i) impact of the Tax Act on TO18 rates in January and February 2018 and (ii) aspects of the rehearing order other than the Tax Act. The appeals have been consolidated and are currently being held in abeyance until the FERC addresses the ROE issue on rehearing.

As a result of an order denying rehearing on the common plant allocation, the Utility increased its regulatory liabilities for amounts previously collected during the TO18, TO19, and TO20 rate case periods from 2017 through the third quarter of 2022 by approximately \$384 million. A portion of these common plant costs are expected to be recovered at the CPUC in a separate application and as a result, the Utility recorded approximately \$240 million to Regulatory assets.

On September 21, 2018, the Utility filed an all-party settlement with the FERC, which was approved by the FERC on December 20, 2018, in connection with TO19. As part of the settlement, the TO19 revenue requirement will be set at 98.85% of the revenue requirement for TO18 that will be determined upon issuance of a final unappealable decision in the TO18 proceeding.

On December 30, 2020, the FERC approved an all-party settlement agreement in connection with TO20. The TO20 settlement resolved all issues of the Utility’s formula rate. However, some of the formula rate issues are contingent on the outcome of TO18, including the allocation of costs related to common, general and intangible plant. The settlement provides that the formula rate will remain in effect through December 31, 2023. The TO20 rate case provides that the transmission revenue requirement and rates are to be updated annually on January 1, subject to true-up. The Utility is required to make a successor rate filing in 2023, which would go into effect on January 1, 2024.

On March 17, 2022, the FERC issued a further order in the TO18 rate case proceeding finding that 9.26% is the just and reasonable base ROE for the Utility. With the incentive component of 50-basis points for the Utility's continuing participation in the CAISO, the resulting ROE would be 9.76%. As a result, the Utility increased its regulatory liabilities for amounts previously collected during the TO18 and TO19 rate case periods from March 2017 through the first quarter of 2022 by approximately \$62.5 million. On April 18, 2022, the Utility and several other parties sought rehearing of the FERC's determination of the base ROE finding. On May 19, 2022, the FERC denied all parties' rehearing requests. The Utility has filed an appeal in the D.C. Circuit Court of Appeals, as have the other parties that sought rehearing. The appeal is being held in abeyance until the FERC issues a substantive order on rehearing on the ROE issue.

On May 16, 2022 and May 31, 2022, the Utility filed a compliance filing and a refund report describing the adjustments made to the transmission revenue requirement, adjusted rates, and the calculation and mechanism of the refunds.

2020 WMCE Interim Rate Relief Subject to Refund

On September 30, 2020, the Utility filed an application with the CPUC requesting cost recovery of recorded expenditures related to wildfire mitigation, certain catastrophic events, and a number of other activities (the "2020 WMCE application"). The recorded expenditures, which exclude amounts disallowed as a result of the CPUC's decision in the OII into the 2017 Northern California wildfires and the 2018 Camp fire, consist of \$1.18 billion in expense and \$801 million in capital expenditures, resulting in a proposed revenue requirement of approximately \$1.28 billion.

As previously disclosed, on October 23, 2020, the CPUC approved \$447 million in interim rate relief (which includes interest) pertaining to costs addressed in the 2020 WMCE application. As a result, the Utility proposed to recover the remaining \$868 million revenue requirement over a one-year period (following the conclusion of interim rate relief recovery).

The costs addressed in the 2020 WMCE application cover activities mainly during the years 2017 to 2019 and are incremental to those previously authorized in the Utility's 2017 GRC and other proceedings. The majority of costs addressed in this application reflect work necessary to mitigate wildfire risk and to respond to catastrophic events occurring during the years 2017 to 2019. The Utility's requested revenue includes amounts for the FHPMA of \$293 million, the FRMMA and the WMPMA of \$740 million, and the CEMA of \$251 million.

On September 21, 2021, the Utility and certain parties filed a motion with the CPUC seeking approval of a settlement agreement that would resolve all of the issues raised by the settling parties in the 2020 WMCE application. On October 11, 2022, the assigned ALJ issued a PD, and the assigned Commissioner issued an APD. Both the PD and the APD would make the interim rates final and no longer subject to refund.

2022 Cost of Capital Application

The Utility's annual cost of capital adjustment mechanism provides that in any year in which the difference between (i) the average Moody's utility bond rates (as measured in the 12-month period from October through September (the "Index")) and (ii) 4.5% exceeds 100 basis points, the Utility's ROE will be adjusted by one-half of such difference, and the cost of debt will be trued up to the most recent recorded cost of debt. The Utility is to initiate this adjustment mechanism by filing an advice letter on or before October 15 of the year in which the mechanism triggered, to become effective on January 1 of the next year.

On August 23, 2021, the Utility filed an off-cycle 2022 cost of capital application with the CPUC based on the extraordinary event of the COVID-19 pandemic and related government response, which has decreased interest rates but has not reduced the cost of capital for electric utilities in general, and the Utility in particular, to the same extent as the overall financial markets (the "2022 cost of capital application"). The 2022 cost of capital application requested that the CPUC authorize the Utility's cost of capital for its electric generation, electric distribution, natural gas distribution, and natural gas transmission and storage rate base beginning on January 1, 2022 for 2022, 2023, and 2024. The Utility requested that the CPUC approve the Utility's proposed ratemaking capital structure, ROE, cost of preferred stock, and cost of debt. The Utility proposed to establish a cost of long-term debt of 4.14%, a return on preferred stock of 5.52%, a ROE of 11%, and to retain the existing capital structure. The Utility also concurrently filed a motion requesting that the revenue requirement for the 2022 cost of capital be recorded in memorandum accounts to be trued-up following a final decision in this proceeding.

In September 2021, the cost of capital adjustment mechanism was triggered because the Index was 117 basis points below the benchmark. As the 2022 cost of capital application was pending, the Utility did not file the October 15, 2021 advice letter to adjust rates. Subsequently, on October 28, 2021, the CPUC ruled that the 2022 cost of capital application did not suspend the adjustment mechanism as requested by the application. The ruling also required that the Utility comply with the cost of capital mechanism by filing the information that would have been included in the October 15, 2021 advice letter in the 2022 cost of capital application proceeding on November 8, 2021, which the Utility did.

On December 17, 2021, the CPUC issued a final decision authorizing the Utility's request to establish memorandum accounts to track revenue requirement changes beginning on January 1, 2022 and leaving the cost of capital rates at current levels, subject to true-up based on the CPUC's decision on the 2022 cost of capital application. As of September 30, 2022, the Utility had not recorded a reserve for refunds related to these memorandum accounts.

On December 24, 2021, the CPUC issued a scoping memo in the 2022 cost of capital application limiting the scope of the Utility's 2022 cost of capital application to the 2022 cost of capital only.

To set the 2022 cost of capital, the CPUC will consider (i) whether there are extraordinary circumstances that warrant a departure from the cost of capital mechanism for 2022; and (ii) if so, whether to leave the cost of capital components at pre-2022 levels for the year 2022, or open a second phase to consider alternative cost of capital proposals for the year 2022. The Utility's position is that there are extraordinary circumstances that warrant a departure from the cost of capital mechanism for 2022 and that the CPUC should leave the cost of capital components at pre-2022 levels for 2022. Briefing concluded on March 25, 2022.

If the CPUC determines that the 2022 cost of capital application establishes extraordinary circumstances that warrant a departure from the cost of capital mechanism for 2022 and leaves the Utility's cost of capital components at pre-2022 levels for 2022, the cost of long-term debt would be 4.17%, the return on preferred stock would be 5.52%, and the ROE would be 10.25%. If the CPUC opens a second phase of the proceeding, the CPUC would set the cost of capital for 2022 based on alternative cost of capital proposals that would address the technical cost of capital material included within the Utility's 2022 cost of capital application.

If the CPUC determines that there are not extraordinary circumstances that warrant a departure from the cost of capital mechanism for 2022, the cost of capital adjustment mechanism would operate and the cost of long-term debt would be 4.15%, the return on preferred stock would be 5.52%, and the ROE would be 9.67%. The resulting decrease in the CPUC jurisdictional gas and electric revenue requirement would be approximately \$163 million (\$99 million electric and \$64 million gas).

On September 30, 2022, the assigned ALJs issued a PD, and the assigned Commissioner issued an APD. Both the PD and the APD found that an extraordinary event occurred, and that the cost of capital adjustment mechanism should not be implemented for 2022. If adopted, the PD would open a second phase of this proceeding to determine the 2022 cost of capital, while the APD would retain the cost of capital previously authorized in the 2020 cost of capital proceeding and close this proceeding. Comments on the PD and APD were filed October 20, 2022, and reply comments were filed October 25, 2022.

2015 Gas Transmission and Storage Rate Case and 2011-2014 Gas Transmission and Storage Capital Expenditures Audit

In its final decision in the Utility's 2015 GT&S rate case, the CPUC excluded from rate base \$696 million of capital spending in 2011 through 2014. This was the amount forecast to be recorded in excess of the amount adopted in the 2011 GT&S rate case. The decision permanently disallowed \$120 million of that amount and ordered that the remaining \$576 million be subject to an audit overseen by the CPUC staff, with the possibility that the Utility may seek recovery in a future proceeding. The audit report was released June 2, 2020 and did not recommend any additional disallowances. The 2015 GT&S decision authorized the Utility to seek recovery, through a separate application, of those costs not recommended for disallowance by the audit.

On July 31, 2020, the Utility filed an application seeking recovery of \$416.3 million in 2015 to 2022 revenue associated with \$512 million of recorded capital expenditures. On July 7, 2021, the Utility filed a joint motion to adopt a settlement agreement reached with the active parties in the proceeding. On July 14, 2022, the CPUC approved a final decision approving the settlement agreement, which resolved all issues in this proceeding and authorized a \$356.3 million revenue requirement for the period of 2015 through 2022. Of this amount, \$313.3 million of revenues for the period 2015 through 2021 will be amortized in rates over 60 months and \$43 million associated with 2022 will be amortized in rates over 12 months beginning August 1, 2022. Going forward, the as-yet undepreciated capital plant associated with this application was included in test year 2023 rate base in the Utility's consolidated 2023 GRC.

Other Matters

PG&E Corporation and the Utility are subject to various claims and lawsuits that separately are not considered material. Accruals for contingencies related to such matters totaled \$61 million and \$77 million as of September 30, 2022 and December 31, 2021, respectively. These amounts were included in Other current liabilities on the Condensed Consolidated Financial Statements. PG&E Corporation and the Utility do not believe it is reasonably possible that the resolution of these matters will have a material impact on their financial condition, results of operations, or cash flows.

PSPS Class Action

On December 19, 2019, a complaint was filed in the United States Bankruptcy Court for the Northern District of California naming PG&E Corporation and the Utility. The plaintiff seeks certification of a class consisting of all California residents and business owners who had their power shut off by the Utility during the October 9, October 23, October 26, October 28, or November 20, 2019 power outages and any subsequent voluntary outages occurring during the course of litigation. The plaintiff alleges that the necessity for the October and November 2019 power shutoff events was caused by the Utility's negligence in failing to properly maintain its electrical lines and surrounding vegetation. The complaint seeks up to \$2.5 billion in special and general damages, punitive and exemplary damages and injunctive relief to require the Utility to properly maintain and inspect its power grid. PG&E Corporation and the Utility believe the allegations are without merit and intend to defend this lawsuit vigorously.

On March 30, 2020, the Bankruptcy Court granted a motion to dismiss this class action by the Utility because the plaintiff's class action claims are preempted as a matter of law by the California Public Utilities Code. On April 3, 2020, the Bankruptcy Court entered an order dismissing the action without leave to amend.

The plaintiff appealed the decision dismissing the complaint to the District Court. On March 26, 2021, the District Court affirmed the Bankruptcy Court's dismissal of this action, and the plaintiff filed a notice of appeal to the Ninth Circuit Court of Appeals. On February 28, 2022, the Ninth Circuit Court of Appeals entered an order certifying two questions of state law to the California Supreme Court. On June 1, 2022, the California Supreme Court accepted certification of the questions. The plaintiff filed his opening brief on July 1, 2022. The Utility's answering brief was filed on August 31, 2022, and the plaintiff's reply brief was filed on October 20, 2022.

The Utility is unable to determine the timing and outcome of this proceeding.

CZU Lightning Complex Fire Notices of Violation

Between November 2020 and January 2021, several governmental entities raised concerns regarding the Utility's emergency response to the 2020 CZU Lightning Complex fire, including Cal Fire, the California Coastal Commission, the Central Coast Regional Water Quality Control Board, and Santa Cruz County Board of Supervisors alleging environmental, vegetation management, and unpermitted work violations. In the matter of Santa Cruz County's complaint with the CPUC, the parties reached a settlement, and the CPUC dismissed the complaint on December 15, 2021. The Utility continues to work with the California Coastal Commission, Cal Fire, and the Central Coast Regional Water Quality Control Board to resolve any outstanding issues and to work with Santa Cruz County to implement the terms of the settlement agreement. Violations can result in penalties, remediation, and other relief.

Based on the information currently available, PG&E Corporation and the Utility believe it is probable that a liability has been incurred. Accordingly, PG&E Corporation and the Utility recorded a charge during the fourth quarter of 2021 for an amount that is not material. PG&E Corporation and the Utility do not believe that the resolution of these matters will have a material impact on their financial condition, results of operations, or cash flows.

Environmental Remediation Contingencies

Given the complexities of the legal and regulatory environment and the inherent uncertainties involved in the early stages of a remediation project, the process for estimating remediation liabilities requires significant judgment. The Utility records an environmental remediation liability when the site assessments indicate that remediation is probable, and the Utility can reasonably estimate the loss or a range of probable amounts. The Utility records an environmental remediation liability based on the lower end of the range of estimated probable costs, unless an amount within the range is a better estimate than any other amount. Key factors that inform the development of estimated costs include site feasibility studies and investigations, applicable remediation actions, operations and maintenance activities, post-remediation monitoring, and the cost of technologies that are expected to be approved to remediate the site. Amounts recorded are not discounted to their present value. The Utility's environmental remediation liability is primarily included in non-current liabilities on the Condensed Consolidated Balance Sheets and is comprised of the following:

(in millions)	Balance at	
	September 30, 2022	December 31, 2021
Topock natural gas compressor station	\$ 286	\$ 299
Hinkley natural gas compressor station	113	123
Former MGP sites owned by the Utility or third parties ⁽¹⁾	792	667
Utility-owned generation facilities (other than fossil fuel-fired), other facilities, and third-party disposal sites ⁽²⁾	112	104
Fossil fuel-fired generation facilities and sites ⁽³⁾	32	70
Total environmental remediation liability	\$ 1,335	\$ 1,263

⁽¹⁾ Primarily driven by the following sites: San Francisco Beach Street, Vallejo, Napa, and San Francisco East Harbor.

⁽²⁾ Primarily driven by geothermal landfill and Shell Pond site.

⁽³⁾ Primarily driven by the San Francisco Potrero Power Plant.

The Utility's gas compressor stations, former MGP sites, power plant sites, gas gathering sites, and sites used by the Utility for the storage, recycling, and disposal of potentially hazardous substances are subject to requirements issued by the Environmental Protection Agency under the Federal Resource Conservation and Recovery Act in addition to other state hazardous waste laws. The Utility has a comprehensive program in place designed to comply with federal, state, and local laws and regulations related to hazardous materials, waste, remediation activities, and other environmental requirements. The Utility assesses and monitors the environmental requirements on an ongoing basis and implements changes to its program as deemed appropriate. The Utility's remediation activities are overseen by the DTSC, several California regional water quality control boards, and various other federal, state, and local agencies.

The Utility's environmental remediation liability as of September 30, 2022, reflects its best estimate of probable future costs for remediation based on the current assessment data and regulatory obligations. Future costs will depend on many factors, including the extent of work necessary to implement final remediation plans, the Utility's time frame for remediation, and unanticipated claims filed against the Utility. The Utility may incur actual costs in the future that are materially different than this estimate and such costs could have a material impact on results of operations, financial condition, and cash flows during the period in which they are recorded. As of September 30, 2022, the Utility expected to recover \$1,092 million of its environmental remediation liability for certain sites through various ratemaking mechanisms authorized by the CPUC.

Natural Gas Compressor Station Sites

The Utility is legally responsible for remediating groundwater contamination caused by hexavalent chromium used in the past at the Utility's natural gas compressor stations. The Utility is also required to take measures to abate the effects of the contamination on the environment.

Topock Site

The Utility's remediation and abatement efforts at the Topock site are subject to the regulatory authority of the California DTSC and the U.S. Department of the Interior. On April 24, 2018, the DTSC authorized the Utility to build an in-situ groundwater treatment system to convert hexavalent chromium into a non-toxic and non-soluble form of chromium. Construction activities began in October 2018 and the initial phase of construction was completed in 2021. Additional phases of construction will continue for several years. The Utility's undiscounted future costs associated with the Topock site may increase by as much as \$237 million if the extent of contamination or necessary remediation is greater than anticipated. The costs associated with environmental remediation at the Topock site are expected to be recovered primarily through the HSMA, where 90% of the costs are recovered through rates.

Hinkley Site

The Utility has been implementing remediation measures at the Hinkley site to reduce the mass of the chromium plume in groundwater and to monitor and control movement of the plume. The Utility's remediation and abatement efforts at the Hinkley site are subject to the regulatory authority of the California Regional Water Quality Control Board, Lahontan Region. In November 2015, the California Regional Water Quality Control Board, Lahontan Region adopted a clean-up and abatement order directing the Utility to contain and remediate the underground plume of hexavalent chromium and the potential environmental impacts. The final order states that the Utility must continue and improve its remediation efforts, define the boundaries of the chromium plume, and take other action. Additionally, the final order sets plume capture requirements, requires a monitoring and reporting program, and includes deadlines for the Utility to meet interim cleanup targets. The United States Geological Survey team is currently conducting a background study on the site to better define the chromium plume boundaries. A draft background report was received in January 2020 and is expected to be finalized in 2023. The Utility's undiscounted future costs associated with the Hinkley site may increase by as much as \$127 million if the extent of contamination or necessary remediation is greater than anticipated. The costs associated with environmental remediation at the Hinkley site will not be recovered through rates.

Former Manufactured Gas Plants

Former MGPs used coal and oil to produce gas for use by the Utility's customers before natural gas became available. The by-products and residues of this process were often disposed of at the MGPs themselves. The Utility has a program to manage the residues left behind as a result of the manufacturing process; many of the sites in the program have been addressed. The Utility's undiscounted future costs associated with MGP sites may increase by as much as \$509 million if the extent of contamination or necessary remediation at currently identified MGP sites is greater than anticipated. The costs associated with environmental remediation at the MGP sites are recovered through the HSMA, where 90% of the costs are recovered through rates.

Utility-Owned Generation Facilities and Third-Party Disposal Sites

Utility-owned generation facilities and third-party disposal sites often involve long-term remediation. The Utility's undiscounted future costs associated with Utility-owned generation facilities and third-party disposal sites may increase by as much as \$47 million if the extent of contamination or necessary remediation is greater than anticipated. The environmental remediation costs associated with the Utility-owned generation facilities and third-party disposal sites are recovered through the HSMA, where 90% of the costs are recovered through rates.

Fossil Fuel-Fired Generation Sites

In 1998, the Utility divested its generation power plant business as part of generation deregulation. Although the Utility sold its fossil-fueled power plants, the Utility retained the environmental remediation liability associated with each site. The Utility's undiscounted future costs associated with fossil fuel-fired generation sites may increase by as much as \$50 million if the extent of contamination or necessary remediation is greater than anticipated. The environmental remediation costs associated with the fossil fuel-fired sites will not be recovered through rates.

Nuclear Insurance

The Utility maintains multiple insurance policies through NEIL and EMANI, covering nuclear or non-nuclear events at the Utility's two nuclear generating units at Diablo Canyon and the retired Humboldt Bay Unit 3. NEIL provides property damage and business interruption coverage of up to \$3.2 billion per nuclear incident and \$2.5 billion per non-nuclear incident for Diablo Canyon. For Humboldt Bay Unit 3, NEIL provides up to \$50 million of coverage for nuclear and non-nuclear property damages to the site's spent fuel storage installation. NEIL also provides coverage for damages caused by acts of terrorism and cyberattacks at nuclear power plants. Through NEIL, there is up to \$3.2 billion available to the membership to cover this exposure. EMANI shares losses with NEIL, as part of the first \$400 million of coverage within the current nuclear insurance program. EMANI also provides an additional \$200 million in excess insurance for property damage and business interruption losses incurred by the Utility if a nuclear or non-nuclear event were to occur at Diablo Canyon. If NEIL losses in any policy year exceed accumulated funds, the Utility could be subject to a retrospective assessment. If NEIL were to exercise this assessment, the maximum aggregate annual retrospective premium obligation for the Utility would be approximately \$41 million. If EMANI losses in any policy year exceed accumulated funds, the Utility could be subject to a retrospective assessment of approximately \$4 million. For more information about the Utility's nuclear insurance coverage, see Note 15 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

Purchase Commitments

In the ordinary course of business, the Utility enters into various agreements to purchase power and electric capacity; natural gas supply, transportation, and storage; nuclear fuel supply and services; and various other commitments. At December 31, 2021, the Utility had undiscounted future expected obligations of approximately \$34 billion. See Note 15 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K.

Oakland Headquarters Lease

On October 23, 2020, the Utility and BA2 300 Lakeside LLC ("Landlord"), a wholly owned subsidiary of TMG Bay Area Investments II, LLC, entered into an office lease agreement for approximately 910,000 rentable square feet of space within the Lakeside Building to serve as the Utility's principal administrative headquarters (the "Lease"). In connection with the Lease, the Utility also issued to Landlord (i) an option payment letter of credit in the amount of \$75 million, and (ii) a lease security letter of credit in the amount of \$75 million.

The term of the Lease began on April 8, 2022. The Lease term will expire in 34 years and 11 months after the commencement date, unless earlier terminated in accordance with the terms of the Lease. In addition to base rent, the Utility will be responsible for certain costs and charges specified in the Lease, including insurance costs, maintenance costs and taxes.

The Lease requires the Landlord to pursue approvals to subdivide the real estate it owns surrounding the Lakeside Building to create a separate legal parcel that contains the Lakeside Building (the "Property") that can be sold to the Utility. The Lease grants to the Utility an option to purchase the Property, following such subdivision, at a price of \$892 million, subject to certain adjustments (the "Purchase Price"). If the option is exercised, the Purchase Price would be paid in 2023.

The Lease also requires the rentable space to be delivered in two phases, with each phase consisting of further subdivided spaces. As of June 30, 2022, part of the space in the Lease has been made available for use. The Utility has recorded approximately \$322 million in Operating lease right of use assets, approximately \$157 million of leasehold improvements, which includes approximately \$78 million that was provided to the Utility as lease incentives, and approximately \$399 million in current and noncurrent Operating lease liabilities in the Condensed Consolidated Financial Statements related to the Lease.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

PG&E Corporation's and the Utility's primary market risk results from changes in energy commodity prices. PG&E Corporation and the Utility engage in price risk management activities for non-trading purposes only. Both PG&E Corporation and the Utility may engage in these price risk management activities using forward contracts, futures, options, and swaps to hedge the impact of market fluctuations on energy commodity prices and interest rates. See the section above entitled "Risk Management Activities" in MD&A and in Notes 9 and 10 of the Notes to the Consolidated Financial Statements in Item 1.

ITEM 4. CONTROLS AND PROCEDURES

Based on an evaluation of PG&E Corporation's and the Utility's disclosure controls and procedures as of September 30, 2022, PG&E Corporation's and the Utility's respective principal executive officers and principal financial officers have concluded that such controls and procedures are effective to ensure that information required to be disclosed by PG&E Corporation and the Utility in reports that the companies file or submit under the Exchange Act, is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and (ii) accumulated and communicated to PG&E Corporation's and the Utility's management, including PG&E Corporation's and the Utility's respective principal executive officers and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in internal control over financial reporting that occurred during the quarter ended September 30, 2022, that have materially affected, or are reasonably likely to materially affect, PG&E Corporation's or the Utility's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

PG&E Corporation and the Utility are parties to various lawsuits and regulatory proceedings in the ordinary course of their business. For more information regarding material lawsuits and proceedings, see Notes 2, 11, and 12 of the Notes to the Condensed Consolidated Financial Statements in Item 1 and Part I, MD&A: "Enforcement and Litigation Matters."

Each of PG&E Corporation and the Utility has elected to disclose environmental proceedings described in Item 103(c)(3)(iii) of Regulation S-K unless it reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than \$1 million.

ITEM 1A. RISK FACTORS

For information about the significant risks that could affect PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows, see the section of the 2021 Form 10-K entitled "Risk Factors," as supplemented below, and the section of this quarterly report entitled "Forward-Looking Statements."

Jurisdictions may attempt to acquire the Utility's assets through eminent domain.

Jurisdictions may attempt to acquire the Utility's assets through eminent domain ("municipalization"). In particular, the City and County of San Francisco ("San Francisco") has submitted a petition with the CPUC seeking a valuation of the Utility's electric assets in San Francisco and has expressed intent to acquire such assets. While San Francisco would still need to initiate and prevail in an eminent domain action in state court to acquire the Utility's assets, there is no guarantee that the Utility would be successful in defending against such an action. If municipalization proceedings are permitted to move forward and are successful, the Utility would be entitled to receive the fair market value of the assets that are subject to the takeover effort, but the valuation issues in any municipalization proceeding would be highly contentious and could result in the Utility receiving less than what it believes is just compensation for the applicable assets. Any assets acquired by a third party through eminent domain would be excluded from the Utility's rate base, reducing the Utility's revenues and opportunity to earn a return. Assets that are targeted for municipalization generally are located in geographic areas that have a lower cost of service relative to billed revenues, so municipalization could negatively impact the affordability of the Utility's service for remaining Utility customers served outside of those geographic areas. A successful municipalization attempt could also encourage similar attempts by other municipalities, which if successful, would further divide apart the Utility's assets and reduce the Utility's rate base, profitability, and affordability for remaining Utility customers. Additionally, it is unclear how the CPUC would allocate the compensation received by the Utility for its assets between shareholders and customers. As a result of these factors, municipalization could materially affect the Utility's financial condition, results of operations, liquidity, and cash flow.

PG&E Corporation and the Utility could be liable for a failure to comply with privacy laws.

PG&E Corporation and the Utility collect and retain certain personal information of their customers, shareholders, and employees in connection with their business. Although PG&E Corporation and the Utility invest in risk management and information security measures, the personal information that they collect, as well as other commercially-sensitive data that they possess, could become compromised because of certain events, including a cyber incident, the insufficiency or failure of such measures, human error, the misappropriation of data, or the occurrence of any of the foregoing at any third party with which PG&E Corporation or the Utility has shared information. If any of these events were to transpire, it could subject PG&E Corporation and the Utility to financial liability.

PG&E Corporation and the Utility are subject to federal and state privacy laws, which grant consumers rights and protections, including, among other things, the ability to opt out of receiving certain communications and certain data sharing with third parties. Non-compliance with these privacy laws could result in the imposition of material fines on PG&E Corporation and the Utility, other regulatory exposure, significant litigation, and reputational harm, which could materially affect PG&E Corporation's and the Utility's financial condition, results of operations, liquidity, and cash flows.

Inflation may negatively impact PG&E Corporation's and the Utility's financial conditions, results of operations, liquidity, and cash flows.

PG&E Corporation and the Utility have observed that prices for equipment, materials, supplies, employee labor, contractor services, and variable-rate debt have increased. Long-term inflationary pressures may result in such prices continuing to increase more quickly than expected. Increases in inflation raises costs for labor, materials and services, and PG&E Corporation and the Utility may be unable to secure these resources on economically acceptable terms or offset such costs with increased revenues, operating efficiencies, or cost savings, which may adversely impact PG&E Corporation's and the Utility's financial conditions, results of operations, liquidity, and cash flows.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the quarter ended September 30, 2022, PG&E Corporation did not contribute any equity securities to the Utility. Also during the quarter ended September 30, 2022, PG&E Corporation did not make any sales of unregistered equity securities in reliance on an exemption from registration under the Securities Act.

On July 8, 2021, PG&E Corporation, the Utility, ShareCo and the Fire Victim Trust entered into the Share Exchange and Tax Matters Agreement, pursuant to which PG&E Corporation and the Utility made a "grantor trust" election for the Fire Victim Trust effective retroactively to the inception of the Fire Victim Trust. As a result of the grantor trust election, shares of PG&E Corporation common stock owned by the Fire Victim Trust are treated as held by the Utility and, in turn attributed to PG&E Corporation for income tax purposes. On January 31, 2022, April 14, 2022, and October 4, 2022, the Fire Victim Trust exchanged 40,000,000, 60,000,000, and 35,000,000 Plan Shares, respectively, for an equal number of New Shares in the manner contemplated by the Share Exchange and Tax Matters Agreement; in each case, the Fire Victim Trust thereafter reported that it sold the applicable New Shares. As of September 30, 2022, to the knowledge of PG&E Corporation, the Fire Victim Trust had sold 100,000,000 shares of PG&E Corporation common stock in the aggregate.

Issuer Purchases of Equity Securities

On September 15, 2022, the Board of Directors amended the terms of PG&E Corporation Chief Executive Officer Patricia K. Poppe's Non-Annual Restricted Stock Unit Award Agreement dated March 1, 2021 to allow the forfeiture of additional shares of PG&E Corporation common stock to satisfy state tax obligations in connection with a prior vesting of restricted stock units. In accordance with this amendment, on September 22, 2022, PG&E Corporation repurchased 57,396 shares from Ms. Poppe in connection with the forfeiture of additional shares to satisfy these state tax obligations.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchase as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs
July 1 through July 31, 2022	—	\$ —	\$ —	\$ —
August 1 through August 31, 2022	—	\$ —	\$ —	\$ —
September 1 through September 30, 2022	57,396	\$ 13.11	\$ —	\$ —
Total	57,396	\$ 13.11	\$ —	\$ —

PG&E Corporation does not have any preferred stock outstanding. During the quarter ended September 30, 2022, the Utility did not redeem or repurchase any shares of its various series of preferred stock outstanding.

On January 31, 2022, April 14, 2022, and October 4, 2022, the Fire Victim Trust exchanged 40,000,000, 60,000,000, and 35,000,000 Plan Shares, respectively, for an equal number of New Shares in the manner contemplated by the Share Exchange and Tax Matters Agreement. The exchange was effected in reliance on the exemption from registration under Section 3(a)(10) of the Securities Act. See "Tax Matters" in Part I, Item 2. MD&A above and "Share Exchange and Tax Matters Agreement" in Note 6 of the Notes to the Consolidated Financial Statements in Item 8 of the 2021 Form 10-K for a detailed discussion of the exchange and the terms of the Share Exchange and Tax Matters Agreement, respectively.

ITEM 6. EXHIBITS

EXHIBIT INDEX

- 3.1 [Amended and Restated Articles of Incorporation of PG&E Corporation, effective as of June 22, 2020 \(incorporated by reference to PG&E Corporation's Form 8-K dated June 20, 2020 \(File No. 1-12609\), Exhibit 3.1\)](#)
- 3.2 [Certificate of Amendment of Articles of Incorporation of PG&E Corporation, effective as of May 19, 2022 \(incorporated by reference to PG&E Corporation's Form 8-K dated May 24, 2022 \(File No. 1-12609\), Exhibit 3.1\)](#)
- 3.3 [Bylaws of PG&E Corporation, Amended and Restated as of June 22, 2020 \(incorporated by reference to PG&E Corporation's Form 8-K dated June 20, 2020 \(File No. 1-12609\), Exhibit 3.3\)](#)
- 3.4 [Amended and Restated Articles of Incorporation of Pacific Gas and Electric Company, effective as of June 22, 2020 \(incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated June 20, 2020 \(File No. 1-2348\), Exhibit 3.2\)](#)
- 3.5 [Bylaws of Pacific Gas and Electric Company, Amended and Restated as of May 20, 2021 \(incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated May 20, 2021 \(File No. 1-2348\), Exhibit 3.1\)](#)
- 4.1 [Indenture, dated as of July 20, 2022, between PG&E Wildfire Recovery Funding LLC and The Bank of New York Mellon Trust Company, N.A. \(incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 15, 2022 \(File No. 1-2348\), Exhibit 4.1\)](#)
- 4.2 [Series Supplement, dated as of July 20, 2022, between PG&E Wildfire Recovery Funding LLC and The Bank of New York Mellon Trust Company, N.A. \(incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 15, 2022 \(File No. 1-2348\), Exhibit 4.2\)](#)
- 4.3 [Seventeenth Supplemental Indenture, dated as of October 4, 2022 to the Indenture of Mortgage, dated as of June 19, 2020, between Pacific Gas and Electric Company and The Bank of New York Mellon Trust Company, N.A., as trustee](#)

10.1		<u>Underwriting Agreement, dated July 13, 2022, among PG&E Wildfire Recovery Funding LLC, Pacific Gas and Electric Company and Citigroup Global Markets Inc., Barclays Capital Inc., and Goldman Sachs & Co. LLC, as representatives of the Underwriters party thereto (incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 13, 2022 (File No. 1-2348), Exhibit 1.1)</u>
10.2		<u>Amendment No. 2 to Credit Agreement, dated as of October 4, 2022, among PG&E Corporation, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent</u>
10.3		<u>Amendment No. 2 to Credit Agreement, dated as of October 4, 2022, among Pacific Gas and Electric Company, the lenders party thereto, Citibank, N.A., as administrative agent and Citibank, N.A., as designated agent</u>
10.4		<u>Recovery Property Servicing Agreement, dated July 20, 2022, between PG&E Wildfire Recovery Funding LLC and Pacific Gas and Electric Company, as Servicer (incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 15, 2022 (File No. 1-2348), Exhibit 10.1)</u>
10.5		<u>Recovery Property Purchase and Sale Agreement, dated July 20, 2022, between PG&E Wildfire Recovery Funding LLC and Pacific Gas and Electric Company, as Seller (incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 15, 2022 (File No. 1-2348), Exhibit 10.2)</u>
10.6		<u>Administration Agreement, dated as of July 20, 2022, between PG&E Wildfire Recovery Funding LLC and Pacific Gas and Electric Company, as Administrator (incorporated by reference to Pacific Gas and Electric Company's Form 8-K dated July 15, 2022 (File No. 1-2348), Exhibit 10.3)</u>
10.7		<u>Amendment No. 8 to Receivables Financing Agreement, dated as of September 30, 2022, among PG&E AR Facility, LLC, as borrower, Pacific Gas and Electric Company, in its capacity as initial Servicer, the financial institutions from time to time party thereto and listed therein as lenders and MUFG Bank, Ltd., as Administrative Agent</u>
10.8	*	<u>Form of PG&E Corporation 2021 Long-Term Incentive Plan Non-Annual Restricted Stock Unit Award, as amended effective August 14, 2022</u>
10.9	*	<u>Form of PG&E Corporation 2021 Long-Term Incentive Plan Restricted Stock Unit Award, as amended effective August 14, 2022</u>
10.10	*	<u>Form of PG&E Corporation 2021 Long-Term Incentive Plan Performance Share Unit Award, as amended effective August 14, 2022</u>
10.11	*	<u>Amendment to 2014 PG&E Corporation Long-Term Incentive Plan Award Agreements and 2021 PG&E Corporation Long-Term Incentive Plan Award Agreements, dated August 14, 2022</u>
10.12	*	<u>Consent to Amend Award Agreement, dated August 14, 2021, between PG&E Corporation and John R. Simon</u>
10.13	*	<u>Amendment to 2014 PG&E Corporation Long-Term Incentive Plan Award Agreement, dated March 1, 2021, between PG&E Corporation and Patricia K. Poppe</u>
10.14	*	<u>Non-Annual Restricted Stock Unit Award Agreement, dated March 1, 2021, between PG&E Corporation and Patricia K. Poppe</u>
31.1	**	<u>Certifications of Principal Executive Officer and Principal Financial Officer of PG&E Corporation required by Section 302 of the Sarbanes-Oxley Act of 2002</u>
31.2	**	<u>Certifications of Principal Executive Officers and Principal Financial Officer of Pacific Gas and Electric Company required by Section 302 of the Sarbanes-Oxley Act of 2002</u>
32.1	**	<u>Certifications of Principal Executive Officer and Principal Financial Officer of PG&E Corporation required by Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.2	**	<u>Certifications of Principal Executive Officers and Principal Financial Officer of Pacific Gas and Electric Company required by Section 906 of the Sarbanes-Oxley Act of 2002</u>
101.INS		XBRL Instance Document
101.SC		XBRL Taxonomy Extension Schema Document
101.CA		XBRL Taxonomy Extension Calculation Linkbase Document
101.LA		XBRL Taxonomy Extension Labels Linkbase Document
101.PRE		XBRL Taxonomy Extension Presentation Linkbase Document
101.DE		XBRL Taxonomy Extension Definition Linkbase Document

*Management contract or compensatory agreement

**Pursuant to Item 601(b)(32) of SEC Regulation S-K, these exhibits are furnished rather than filed with this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this Quarterly Report on Form 10-Q to be signed on their behalf by the undersigned thereunto duly authorized.

PG&E CORPORATION

/s/ CHRISTOPHER A. FOSTER

Christopher A. Foster
Executive Vice President and Chief Financial Officer
(duly authorized officer and principal financial officer)

PACIFIC GAS AND ELECTRIC COMPANY

/s/ DAVID S. THOMASON

David S. Thomason
Vice President, Chief Financial Officer and Controller
(duly authorized officer and principal financial officer)

Dated: October 27, 2022

SEVENTEENTH SUPPLEMENTAL INDENTURE

DATED AS OF OCTOBER 4, 2022

**SUPPLEMENT TO INDENTURE OF MORTGAGE
DATED AS OF JUNE 19, 2020**

**AMENDING AND SUPPLEMENTING PROVISIONS OF THE FIFTH SUPPLEMENTAL INDENTURE, DATED AS OF
JULY 1, 2020 AND THE TENTH SUPPLEMENTAL INDENTURE, DATED AS OF JUNE 22, 2021**

**PACIFIC GAS AND ELECTRIC COMPANY
Issuer (Mortgagor)**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
Trustee (Mortgagee)**

TABLE OF CONTENTS

<u>ARTICLE I Modification of the Fifth Supplemental Indenture And Tenth Supplemental Indenture</u>	<u>2</u>
<u>ARTICLE II AMENDMENT, SUPPLEMENT AND WAIVER</u>	<u>4</u>
<u>ARTICLE III Covenants</u>	<u>5</u>
<u>ARTICLE IV Miscellaneous</u>	<u>5</u>
EXHIBIT A – FORM OF THE BOND OF THE THIRTY-SECOND SERIES	
SCHEDULE 1 – MORTGAGE INDENTURE RECORDING INFORMATION	

SEVENTEENTH SUPPLEMENTAL INDENTURE, dated as of October 4, 2022 (this “**Seventeenth Supplemental Indenture**”), by and between **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation, as Mortgagor (the “**Company**”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized under the laws of the United States of America, as Trustee and Mortgagee under the Mortgage Indenture (as hereinafter defined) (the “**Trustee**”).

RECITALS OF THE COMPANY

A. The Company and the Trustee are parties to that certain Indenture of Mortgage, dated as of June 19, 2020 (together with all indentures supplemental thereto, the “**Mortgage Indenture**”), providing for the issuance by the Company of Bonds (as defined in the Mortgage Indenture) from time to time.

B. Under the Mortgage Indenture, the Company is authorized to issue unlimited series of Bonds and establish one or more series of Bonds at any time in accordance with the provisions of the Mortgage Indenture, and the terms of such series of Bonds may be described by a supplemental indenture executed by the Company and the Trustee.

C. The Company and the Trustee are parties to that certain Fifth Supplemental Indenture, dated as of July 1, 2020 (the “**Fifth Supplemental Indenture**”) providing for, among other things, the issuance by the Company of the Bond of the Thirty-Second Series.

D. The Company and the Trustee are parties to that certain Tenth Supplemental Indenture, dated as of June 22, 2021 (the “**Tenth Supplemental Indenture**”) providing for certain amendments to the Fifth Supplemental Indenture and the issuance of a replacement Bond to replace the Bond of the Thirty-Second Series.

E. The Company and the Holder of the Bond of the Thirty-Second Series desire to amend and supplement the Fifth Supplemental Indenture and the Tenth Supplemental Indenture solely with respect to the provisions relating to the Bond of the Thirty-Second Series and the Holder has consented to such amendment and entry into this Seventeenth Supplemental Indenture pursuant to Section 14.02 of the Mortgage Indenture.

F. This Seventeenth Supplemental Indenture is being entered into pursuant to Section 14.02 of the Mortgage Indenture.

G. The Bond of the Thirty-Second Series previously authenticated pursuant to the Tenth Supplemental Indenture shall be delivered to the Trustee to be cancelled and the Trustee will authenticate and deliver one replacement Bond: the Bond of the Thirty-Second Series corresponding to the Obligations (as defined herein) (the “**Bond of the Thirty-Second Series**”) pursuant to Section 14.06 of the Mortgage Indenture and this Seventeenth Supplemental Indenture.

H. The execution and delivery of this Seventeenth Supplemental Indenture has been authorized by a Board Resolution (as defined in the Mortgage Indenture).

I. Concurrent with the execution hereof, the Company has delivered to the Trustee an Officer’s Certificate (as defined in the Mortgage Indenture) pursuant to Section 5.03 and Section 14.03 of the Mortgage Indenture and has caused its counsel to deliver to the Trustee an Opinion of Counsel (as defined in the Mortgage Indenture) pursuant to Section 5.03 and Section 14.03 of the Mortgage Indenture.

J. The Company has done all things necessary to make this Seventeenth Supplemental Indenture a valid agreement of the Company in accordance with its terms.

NOW, THEREFORE, the Company and the Trustee agree, for the benefit of each other and the equal and proportionate benefit of the Holder of the Bond of the Thirty-Second Series, as follows:

ARTICLE I

MODIFICATION OF THE FIFTH SUPPLEMENTAL INDENTURE AND TENTH SUPPLEMENTAL INDENTURE

SECTION 101 Amendments Relating to the Bond of the Thirty-Second Series.

Solely with respect to the Bond of the Thirty-Second Series, the following definitions contained in Article I of the Fifth Supplemental Indenture (which were subsequently amended in connection with the Tenth Supplemental Indenture) are hereby amended and restated in their entirety to read as follows:

“Ascertainable Fees” means any fees due and payable under the Loan Documents and any other written fee agreements from time to time entered into in connection with the Revolving Credit Agreement by the Company and any other party to the Revolving Credit Agreement (the **“Related Fee Letters”**), including facility fees, administrative agent fees, fronting fees, arranger fees and up-front fees, that are determinable with reasonable certainty by the Company solely by reference to the Loan Documents or the Related Fee Letters.

“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Interest Amount” means, without duplication, interest on all Obligations, and all Ascertainable Fees and interest thereon (including, for the avoidance of doubt, any default interest), due and payable under the Loan Documents and Related Fee Letters.

“Interest Payment Date” means each date on which Interest Amounts are due and payable pursuant to the Loan Documents.

“Interest Rate” means a rate of interest per annum to result in an interest payment hereunder equal to the Interest Amount due and payable under the Loan Documents on the applicable Interest Payment Date.

“Loan Documents” means the Revolving Credit Agreement, the Bond Delivery Agreement (as defined in the Revolving Credit Agreement), the Notes (as defined in the Revolving Credit Agreement), the Applications (as defined in the Revolving Credit Agreement), and any amendment, waiver, supplement or modification to any of the foregoing.

“Obligations” means all Obligations (as defined in the Revolving Credit Agreement), including Principal Obligations and Ascertainable Fees, but excluding the Interest Amount.

“Principal Obligations” means, as of any date of calculation, the sum of (a) the outstanding principal amount of Loans (as defined in the Revolving Credit Agreement) and (b) the outstanding amount of L/C Obligations (as defined in the Revolving Credit Agreement), excluding the aggregate amount of drawings under issued Letters of Credit (as defined in the

Revolving Credit Agreement) that have been converted into a Loan under the Revolving Credit Agreement and excluding the aggregate undrawn and unexpired amount of any then outstanding Letters of Credit that have been fully cash collateralized pursuant to Section 8 of the Revolving Credit Agreement.

“Revolving Credit Agreement” means the Credit Agreement, dated as of July 1, 2020, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time, JPMorgan Chase Bank, N.A. and Citibank, N.A., as co-administrative agents, and Citibank, N.A., as Designated Agent (as defined in the Revolving Credit Agreement), as amended by Amendment No. 1 to Credit Agreement, dated as of June 22, 2021, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time, JPMorgan Chase Bank, N.A. and Citibank, N.A., as co-administrative agents, and Citibank, N.A., as Designated Agent and as amended by Amendment No. 2 to Credit Agreement dated as of October 4, 2022, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time and Citibank, N.A., as Administrative Agent and Designated Agent, and as may be further amended, supplemented, restated or otherwise modified from time to time.

“Secured Parties” means, collectively, the Designated Agent, the Lenders, the Issuing Lenders (as defined in the Revolving Credit Agreement), each co-agent or sub-agent appointed by the Designated Agent from time to time pursuant to Section 9.2 of the Revolving Credit Agreement and any other Persons the Obligations owing to whom are or are purported to be secured by the Bond of the Thirty-Second Series.

SECTION 102 Amendments Relating to the Bond of the Thirty-Second Series.

Solely with respect to the Bond of the Thirty-Second Series, Article II, Section 2 of the Fifth Supplemental Indenture is amended and restated in its entirety to read as follows:

“The Bond of the Thirty-Second Series shall be issued in certificated form and the form of the Bond of the Thirty-Second Series is set forth in Exhibit A of the Seventeenth Supplemental Indenture and is hereby incorporated herein and made a part hereof.”

Solely with respect to the Bond of the Thirty-Second Series, Article II, Section 3 of the Fifth Supplemental Indenture is amended and restated in its entirety to read as follows:

The Bond of the Thirty-Second Series shall be dated October 4, 2022 and be issued in an initial face amount of \$4,400,000,000 and such amount shall be subject to increases or decreases in the aggregate principal amount of the Bond of the Thirty-Second Series as evidenced by Schedule A attached thereto, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 402 of this Seventeenth Supplemental Indenture. The amount of principal payable on the Bond of the Thirty-Second Series, and the date or dates on which such principal is payable, shall be as set forth in said Bond. For all purposes of the Mortgage Indenture, the principal amount of the Bond of the Thirty-Second Series Outstanding as of any date of calculation shall be equal to the Obligations outstanding under the Loan Documents as of such date, but in no event shall the principal amount of such Bond as of any date of calculation be greater than the then current face amount of such Bond. The initial face amount of the Bond of the Thirty-Second Series may be increased or reduced from time to time as set forth in said Bond and the procedures identified in Section 402 of this Seventeenth Supplemental Indenture. Principal of the Bond of the Thirty-Second Series shall be payable without the presentment or surrender thereof.”

Solely with respect to the Bond of the Thirty-Second Series, Article II, Section 4 of the Fifth Supplemental Indenture is amended and restated in its entirety to read as follows:

“The Bond of the Thirty-Second Series shall bear interest at the rate or rates, and interest with respect thereto will be payable on the Interest Payment Dates, in each case for such Obligations, set forth in said Bond. The Bond of the Thirty-Second Series shall have a Maturity Date of June 22, 2027 (as the same may be extended, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 401 of this Seventeenth Supplemental Indenture). Interest on the Bond of the Thirty-Second Series shall accrue from the same dates that interest, if any, accrues on outstanding Obligations pursuant to the Loan Documents until such interest is paid.”

Solely with respect to the Bond of the Thirty-Second Series, Article IV, Section 8 of the Fifth Supplemental Indenture is amended and restated in its entirety to read as follows:

“The other terms of the Bond of the Thirty-Second Series shall be as expressly set forth in Exhibit A of the Seventeenth Supplemental Indenture.”

ARTICLE II

AMENDMENT, SUPPLEMENT AND WAIVER

The Trustee and the Company may not modify, amend or supplement this Seventeenth Supplemental Indenture except as set forth in Article XIV of the Mortgage Indenture as if (a) references in Article XIV to “this Indenture” and “hereto” are deemed to include the Seventeenth Supplemental Indenture, and (b) references to the Bonds of any series “Outstanding under this Indenture” (or similar expressions and phrases) are deemed to refer only to the Bond of the Thirty-Second Series and no other Bonds.

ARTICLE III

COVENANTS

Each of the agreements and covenants of the Company contained in Article VII of the Mortgage Indenture shall apply to the Bond of the Thirty-Second Series amended hereby as of the date hereof.

ARTICLE IV

MISCELLANEOUS

SECTION 103 Extension Procedures for the Bond of the Thirty-Second Series.

From time to time, the Maturity Date specified on the Bond of the Thirty-Second Series may be extended, without amendment hereof, pursuant to the Loan Documents when the Company delivers to the Trustee each of the following:

(a) An Officer’s Certificate stating that (i) to the knowledge of the signer, no Event of Default has occurred and is continuing; (ii) the Maturity Date corresponding to the Bond of the Thirty-Second Series has been extended pursuant to the terms of the Loan Documents and specifying such new Maturity Date; and (iii) all conditions precedent to the issuance, authentication and delivery of the Bond of the Thirty-Second Series, as set forth in the Mortgage Indenture, have been satisfied. Such Officer’s Certificate shall provide as an exhibit a copy of a notice executed by the Designated Agent (as defined in the Revolving Credit Agreement) confirming that the Maturity Date corresponding to the Bond of the Thirty-Second Series has been extended pursuant to the terms of the Loan Documents and specifying such new Maturity Date.

(b) A Company Order requesting the Trustee update the Maturity Date corresponding to the Bond of the Thirty-Second Series to such new Maturity Date and authenticate a replacement Bond of the Thirty-Second Series upon surrender by the Designated Agent (as defined in the Revolving Credit Agreement) of the existing certificated Bond of the Thirty-Second Series and to cancel and dispose of, in the manner provided in the Mortgage Indenture, such existing certificated Bond, and upon such cancellation and disposition, such existing certificated Bond shall no longer be considered Outstanding.

(c) An Opinion of Counsel opining that all conditions precedent to the issuance, authentication and delivery of the Bond of the Thirty-Second Series, as set forth in the Mortgage Indenture, have been satisfied.

SECTION 104 Amendment Procedures for Principal Amount of the Bond of the Thirty-Second Series.

From time to time, the principal amount specified on the Bond of the Thirty-Second Series may be increased or decreased as evidenced by Schedule A attached thereto, without amendment hereof, pursuant to the Loan Documents when the Company delivers to the Trustee each of the following:

(a) An Officer's Certificate stating that (i) to the knowledge of the signer, no Event of Default has occurred and is continuing, (ii) the principal amount corresponding to the Bond of the Thirty-Second Series has been increased or decreased pursuant to the terms of the Loan Documents and specifying such new principal amount and (iii) all conditions precedent (including the delivery of any additional documentation required by the Mortgage Indenture in connection with any increase of the principal amount of the Bond of the Thirty-Second Series) to the Trustee's (A) decrease or increase, as applicable, of the principal amount of the Bond of the Thirty-Second Series, as set forth in the Mortgage Indenture; or (B) authentication and delivery of the replacement Bond of the Thirty-Second Series, have been satisfied. Such Officer's Certificate shall provide as an exhibit a copy of a notice executed by the Designated Agent (as defined in the Revolving Credit Agreement) confirming that the principal amount corresponding to the Bond of the Thirty-Second Series has been amended pursuant to the terms of the Loan Documents and specifying such new principal amount.

(b) A Company Order requesting the Trustee update the principal amount corresponding to the Bond of the Thirty-Second Series to such new principal amount and either (i) upon receipt of the existing certificated Bond of the Thirty-Second Series from the Designated Agent (as defined in the Revolving Credit Agreement), update Schedule A attached thereto and return such updated Bond of the Thirty-Second Series to the Designated Agent (as defined in the Revolving Credit Agreement) or (ii) authenticate a replacement Bond of the Thirty-Second Series upon surrender by the Designated Agent (as defined in the Revolving Credit Agreement) of the existing certificated Collateral Bond and to cancel and dispose of, in the manner provided in the Mortgage Indenture, such existing certificated Bond, and upon such cancellation and disposition, such existing certificated Bond shall no longer be considered Outstanding.

(c) An Opinion of Counsel opining that all conditions precedent to the Trustee's decrease or increase, as applicable, of the principal amount of the Bond of the Thirty-Second Series, as set forth in the Mortgage Indenture, have been satisfied.

SECTION 105 Concerning the Trustee.

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Seventeenth Supplemental Indenture or the due execution hereof by the Company, or for or in respect of the recitals and statements contained herein, all of which

recitals and statements are made solely by the Company. Except as herein otherwise provided, no duties, responsibilities or liabilities are assumed, or shall be construed to be assumed, by the Trustee by reason of this Seventeenth Supplemental Indenture other than as set forth in the Mortgage Indenture; and this Seventeenth Supplemental Indenture is executed and accepted on behalf of the Trustee, subject to all the terms and conditions set forth in the Mortgage Indenture, as fully to all intents as if the same were herein set forth at length.

SECTION 106 Application of Seventeenth Supplemental Indenture.

Except as provided herein, each and every term and condition contained in this Seventeenth Supplemental Indenture that modifies, amends or supplements the terms and conditions of the Mortgage Indenture, the Fifth Supplemental Indenture (solely with respect to the Bond of the Thirty-Second Series) and the Tenth Supplemental Indenture (solely with respect to the Bond of the Thirty-Second Series) shall apply only to the Bond of the Thirty-Second Series amended hereby and not to any other series of Bonds established under the Mortgage Indenture. Except as specifically amended and supplemented by, or to the extent inconsistent with, this Seventeenth Supplemental Indenture, the Mortgage Indenture, the Fifth Supplemental Indenture (solely with respect to the Bond of the Thirty-Second Series) and the Tenth Supplemental Indenture (solely with respect to the Bond of the Thirty-Second Series) shall remain in full force and effect and is hereby ratified and confirmed.

SECTION 107 Headings.

The headings of the several Articles of this Seventeenth Supplemental Indenture are inserted for convenience of reference, and shall not be deemed to be any part hereof.

SECTION 108 Effective Date.

This Seventeenth Supplemental Indenture shall be effective upon the execution and delivery hereof by each of the parties hereto.

SECTION 109 Counterparts.

This Seventeenth Supplemental Indenture may be executed in any number of counterparts, and each of such counterparts shall together constitute but one and the same instrument. Delivery of an executed copy of this Seventeenth Supplemental Indenture by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 1010 Governing Law.

The laws of the State of New York shall govern this Seventeenth Supplemental Indenture and the Bond of the Thirty-Second Series, without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

SECTION 1011 Severability.

In case any provision in this Seventeenth Supplemental Indenture or the Bond of the Thirty-Second Series shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 110 Incorporation by Reference.

The terms of Schedule 1 attached hereto are incorporated herein and made a part hereof by this reference.

SECTION 111 Electronic Communication.

With respect to the Bond of the Thirty-Second Series under this Seventeenth Supplemental Indenture, the Trustee shall have the right to accept and act upon instructions (“**Instructions**”), given pursuant to this Seventeenth Supplemental Indenture and delivered using Electronic Means; provided, however, that the Company shall provide to the Trustee an incumbency certificate listing Authorized Officers and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Company whenever a person is to be added or deleted from the listing. If the Company elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Company shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Company and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt thereof by the Company. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Company agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Company; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

IN WITNESS WHEREOF, the parties hereto have caused this Seventeenth Supplemental Indenture to be duly executed as of the day and year first above written.

PACIFIC GAS AND ELECTRIC COMPANY,
as Issuer (Mortgagor)

By: /s/ Margaret K. Becker
Name: Margaret K. Becker
Title: Vice President and Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee (Mortgagee)

By: /s/ April Bradley
Name: April Bradley
Title: Vice President

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 CALIFORNIA }
 }
COUNTY OF SAN FRANCISCO }

On September 27, 2022, before me, Jolie F. Ocampo, a notary public, personally appeared Margaret K. Becker, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

/s/ Jolie F. Ocampo
Signature

(Seal)

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 TEXAS }
 }
COUNTY OF HARRIS }

On September 28, 2022, before me, Daniel Arthur Stage, a notary public, personally appeared April Bradley, a Vice President of The Bank of New York Mellon Trust Company, N.A. and who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

/s/ Daniel Arthur Stage
Signature

(Seal)

EXHIBIT A

[FORM OF BOND OF THE THIRTY-SECOND SERIES]

[FORM OF FACE OF BOND]

NOTE: THE HOLDER OF THIS BOND BY ACCEPTANCE HEREOF AGREES TO RESTRICTIONS ON TRANSFER, TO WAIVERS OF CERTAIN RIGHTS OF EXCHANGE, AND TO INDEMNIFICATION PROVISIONS AS SET FORTH BELOW. IN ADDITION, THE BOND REPRESENTED BY THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND SUCH BOND OR ANY INTEREST THEREIN MAY NOT BE TRANSFERRED WITHOUT COMPLIANCE WITH APPLICABLE SECURITIES LAWS.

THIS BOND IS NOT TRANSFERABLE EXCEPT TO A SUCCESSOR OR ASSIGN OF THE DESIGNATED AGENT UNDER THE REVOLVING CREDIT AGREEMENT REFERRED TO HEREIN AMONG THE COMPANY (AS DEFINED HEREIN) AND THE SEVERAL PARTIES THERETO. THE COMPANY MAY TAKE SUCH ACTIONS AS IT SHALL DEEM NECESSARY, DESIRABLE, OR APPROPRIATE TO EFFECT COMPLIANCE WITH THESE RESTRICTIONS ON TRANSFER, INCLUDING THE ISSUANCE OF STOPTRANSFER INSTRUCTIONS TO THE TRUSTEE (AS DEFINED HEREIN) UNDER THE MORTGAGE INDENTURE REFERRED TO HEREIN OR ANY OTHER TRANSFER AGENT THEREUNDER.

AS SET FORTH HEREIN, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS BOND AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

THE FOLLOWING SUMMARY OF TERMS IS SUBJECT TO THE INFORMATION SET FORTH IN THIS BOND:

ORIGINAL ISSUE DATE: October 4, 2022 FACE AMOUNT: \$ _____ (as the same may be amended, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 402 of the Seventeenth Supplemental Indenture) INTEREST RATE: See below

MATURITY DATE: June 22, 2027 (as the same may be extended, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 401 of the Seventeenth Supplemental Indenture) INTEREST PAYMENT DATES: See below

REGISTERED OWNER: Citibank, N.A., as Designated Agent under the Revolving Credit Agreement (as defined below), or any successor Designated Agent under the Revolving Credit Agreement THIS BOND IS A:
Global Book-Entry Bond
Certificated Bond

This Bond is not a Discount Bond
within the meaning of the within mentioned Mortgage Indenture

PACIFIC GAS AND ELECTRIC COMPANY

BOND OF THE THIRTY-SECOND SERIES

Face Amount (as the same may be amended, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 402 of the Seventeenth Supplemental Indenture):

\$ _____

No. _____

PACIFIC GAS AND ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the State of California (herein called the “**Company**,” which term includes any successor Person pursuant to the applicable provisions of the Mortgage Indenture hereinafter referred to), for value received, hereby promises to pay to CITIBANK, N.A., as Designated Agent (the “**Designated Agent**”), or its registered assigns, on behalf of the Secured Parties (as defined herein), the principal sum of up to _____ DOLLARS (\$ _____) or such lesser principal amount as shall be equal to the Obligations (as defined herein) due and payable under the Loan Documents (as defined herein) and as evidenced on Schedule A hereto pursuant to the procedures identified in Section 402 of the Seventeenth Supplemental Indenture, and to pay interest with respect to this Bond at the Interest Rate (as defined herein) for such Obligations until the principal hereof is paid or duly made available for payment, but in each case not later than the Maturity Date specified above (as the same may be extended, without amendment hereof, pursuant to the Loan Documents and the procedures identified in Section 401 of the Seventeenth Supplemental Indenture) or, in the event of default of the payment of the principal hereof, until the Company’s obligations with respect to the payment of such principal shall be discharged as provided in the Mortgage Indenture.

The principal amount outstanding under this Bond will increase or decrease from time to time to be equal at all times to the Obligations outstanding from time to time under the Loan Documents. The principal due and payable hereunder by the Company as of any date shall be equal to the Obligations due and payable under the Loan Documents on such date, and such principal shall be payable on the same dates (whether on the stated due dates or by acceleration pursuant to the terms of the Revolving Credit Agreement) as Obligations are payable from time to time pursuant to the Loan Documents. The obligation of the Company to make any payment of principal on this Bond shall be fully or partially, as the case may be, deemed to have been paid or otherwise satisfied and discharged to the extent that the Company has paid the Obligations due and payable under the Loan Documents, but any such payment shall not reduce the face amount (maximum principal amount) of this Bond unless the Total Commitments (as defined in the Revolving Credit Agreement) are irrevocably reduced in accordance with the Revolving Credit Agreement. If the Total Commitments are irrevocably reduced, the face amount (maximum principal amount) of this Bond shall be reduced by the same amount as the amount by which the Total Commitments are so reduced; provided, that for the avoidance of doubt, the face amount (maximum principal amount) of this Bond shall not be less than the aggregate principal amount of the Obligations under the Revolving Credit Agreement at the time of, and after giving effect to, such reduction and any concurrent repayment of Obligations.

Interest on this Bond shall be payable on each Interest Payment Date (as defined herein). The obligation of the Company to make any payment of interest with respect to this Bond shall be fully or partially, as the case may be, deemed to have been paid or otherwise satisfied and discharged to the extent that the Company has paid Interest Amounts (as defined herein) on the Obligations due and payable pursuant to the Loan Documents.

For purposes of this Bond:

“**Ascertainable Fees**” means any fees due and payable under the Loan Documents and any other written fee agreements from time to time entered into in connection with the Revolving Credit Agreement by the Company and any other party to the Revolving Credit Agreement (the “**Related Fee Letters**”), including facility fees, administrative agent fees, fronting fees, arranger fees and up-front fees, that are determinable with reasonable certainty by the Company solely by reference to the Loan Documents or the Related Fee Letters.

“**Electronic Means**” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“**Interest Amount**” means, without duplication, interest on all Obligations, and all Ascertainable Fees and interest thereon (including, for the avoidance of doubt, any default interest), due and payable under the Loan Documents and Related Fee Letters.

“**Interest Payment Date**” means each date on which Interest Amounts are due and payable pursuant to the Loan Documents.

“**Interest Rate**” means a rate of interest per annum to result in an interest payment hereunder equal to the Interest Amount due and payable under the Loan Documents on the applicable Interest Payment Date.

“**Loan Documents**” means the Revolving Credit Agreement, the Bond Delivery Agreement (as defined in the Revolving Credit Agreement), the Notes (as defined in the Revolving Credit Agreement), the Applications (as defined in the Revolving Credit Agreement), and any amendment, waiver, supplement or modification to any of the foregoing.

“**Obligations**” means all Obligations (as defined in the Revolving Credit Agreement), including Principal Obligations and Ascertainable Fees, but excluding the Interest Amount.

“**Principal Obligations**” means, as of any date of calculation, the sum of (a) the outstanding principal amount of Loans (as defined in the Revolving Credit Agreement) and (b) the outstanding amount of L/C Obligations (as defined in the Revolving Credit Agreement), excluding the aggregate amount of drawings under issued Letters of Credit (as defined in the Revolving Credit Agreement) that have been converted into a Loan under the Revolving Credit Agreement and excluding the aggregate undrawn and unexpired amount of any then outstanding Letters of Credit that have been fully cash collateralized pursuant to Section 8 of the Revolving Credit Agreement.

“**Revolving Credit Agreement**” means the Credit Agreement, dated as of July 1, 2020, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time, JPMorgan Chase Bank, N.A. and Citibank, N.A., as co-administrative agents, and Citibank, N.A., as Designated Agent (as defined in the Revolving Credit Agreement), as amended by Amendment No. 1 to Credit Agreement, dated as of June 22, 2021, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time, JPMorgan Chase Bank, N.A. and Citibank, N.A., as co-administrative agents, and Citibank, N.A., as Designated Agent and as amended by Amendment No. 2 to Credit Agreement dated as of October 4, 2022, by and among the Company, the several banks and other financial institutions or entities party thereto from time to time and Citibank, N.A., as Administrative Agent and Designated Agent, and as may be further amended, supplemented, restated or otherwise modified from time to time.

“Secured Parties” means, collectively, the Designated Agent, the Lenders, the Issuing Lenders (as defined in the Revolving Credit Agreement), each co-agent or sub-agent appointed by the Designated Agent from time to time pursuant to Section 9.2 of the Revolving Credit Agreement and any other Persons the Obligations owing to whom are or are purported to be secured by the Bond of the Thirty-Second Series.

Other capitalized terms used herein and not otherwise defined herein shall have the meanings specified in the Mortgage Indenture, unless otherwise noted or the context otherwise requires.

The Trustee (as defined herein) may conclusively presume that the obligation of the Company to pay the principal of and interest with respect to this Bond shall have been fully satisfied and discharged unless and until it shall have received a written notice from the Registered Owner (specified above), signed by an authorized officer of the Registered Owner, stating that the payment of principal of or interest with respect to this Bond has not been fully paid when due and specifying the amount of funds required to make such payment. The Trustee may also conclusively rely on any written notice from an authorized officer of the Registered Owner with respect to the principal amount Outstanding at any time on this Bond and the interest payable with respect to this Bond at any time and the date or dates on which such principal and interest are payable.

Payments of the principal of and interest with respect to this Bond shall be made at the Corporate Trust Office of the Trustee located initially in Los Angeles, California or at such other office or agency as may be designated for such purpose by the Company from time to time. Payment of the principal of and interest with respect to this Bond, as aforesaid, shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

The Maturity Date of this Bond specified above may be extended, without amendment hereof, pursuant to the terms of the Revolving Credit Agreement and the procedures identified in Section 401 of the Seventeenth Supplemental Indenture.

The principal amount of this Bond specified above may be amended, without amendment hereof, pursuant to the terms of the Revolving Credit Agreement and such amended principal amount may be evidenced on Schedule A hereto pursuant to the procedures identified in Section 402 of the Seventeenth Supplemental Indenture.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual or electronic signature, this Bond shall not be entitled to any benefit under the Mortgage Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: _____

PACIFIC GAS AND ELECTRIC COMPANY

By _____

By _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is the Bond of the series designated as the Bond of the Thirty-Second Series referred to in the within-mentioned Mortgage Indenture.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By — Authorized Signatory

Dated:

[FORM OF REVERSE OF BOND OF THE THIRTY-SECOND SERIES]

This Bond of the Thirty-Second Series (this “**Bond**”) is one of a duly authorized issue of Bonds of the Company (the “**Bonds**”) issued and issuable in one or more series under and equally secured by an Indenture of Mortgage, dated as of June 19, 2020 (such Indenture as originally executed and delivered and as supplemented or amended from time to time thereafter, together with any constituent instruments establishing the terms of particular Bonds, being herein called the “**Mortgage Indenture**”), between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (herein called the “**Trustee**,” which term includes any successor trustee under the Mortgage Indenture), and reference is hereby made to the Mortgage Indenture for a description of the property mortgaged, pledged and held in trust, the nature and extent of the security and the respective rights, limitations of rights, duties and immunities of the Company, the Trustee and the Holders of the Bonds thereunder and of the terms and conditions upon which the Bonds are, and are to be, authenticated and delivered. The acceptance of this Bond shall be deemed to constitute the consent and agreement by the Holder hereof to all of the terms and provisions of the Mortgage Indenture.

This Bond is issued to the Designated Agent by the Company pursuant to the Company’s obligations under the Loan Documents.

This Bond is not subject to redemption prior to the Maturity Date specified above.

As provided in the Mortgage Indenture and subject to certain limitations therein set forth, this Bond or any portion of the principal amount hereof will be deemed to have been paid for all purposes of the Mortgage Indenture and to be no longer Outstanding thereunder, and the Company’s entire indebtedness in respect thereof will be satisfied and discharged, if there has been irrevocably deposited with the Trustee or any Paying Agent (other than the Company), in trust, money in an amount which will be sufficient and/or Eligible Obligations, the principal of and interest on which when due, without regard to any reinvestment thereof, will provide moneys which, together with money, if any, deposited with or held by the Trustee or such Paying Agent, will be sufficient to pay when due the principal of and interest with respect to this Bond when due, assuming all commitments under the Revolving Credit Agreement outstanding at the time of such deposit were fully drawn.

If an Event of Default (as defined in the Revolving Credit Agreement) shall have occurred under Section 8 of the Revolving Credit Agreement by reason of a failure by the Company to make a payment with respect to any Principal Obligation when the same shall be due and payable (including by acceleration) pursuant to the Loan Documents, it shall be deemed to be an Event of Default, for purposes of Section 10.01 of the Mortgage Indenture, in payment of an amount of principal of this Bond equal to the amount of such unpaid Obligation (but, in no event, in excess of the face amount (maximum principal amount) of this Bond). If an Event of Default (as defined in the Revolving Credit Agreement) shall have occurred under Section 8 of the Revolving Credit Agreement by reason of a failure by the Company to make a payment of any Interest Amount or any other Obligation (other than a Principal Obligation) when the same shall be due and payable (including by acceleration) pursuant to the Loan Documents, it shall be deemed to be an Event of Default, for purposes of Section 10.01 of the Mortgage Indenture, in the payment of an amount of interest with respect to this Bond equal to the amount of such unpaid Interest Amount or amount of such other Obligation. The Company’s obligation with respect to this Bond shall be fully satisfied when (and the holder hereof shall surrender this Bond to, or upon the order of, the Company for cancellation) the Revolving Credit Agreement shall have been terminated, all commitments thereunder shall have been terminated, and all of the Obligations and Interest Amounts then due and payable shall have been duly paid by the Company and all Letters of Credit (as defined in the Revolving Credit Agreement) shall have

expired or terminated or have been fully cash collateralized pursuant to Section 8 of the Revolving Credit Agreement. At the time of surrender of this Bond, the holder hereof shall deliver such appropriate instruments of transfer or release as may reasonably be requested by the Company.

If an Event of Default shall occur and be continuing as provided in the Mortgage Indenture, the Trustee or the Holders of not less than 25% in aggregate principal amount of Bonds then Outstanding, considered as one class, may declare the principal amount of all Bonds then Outstanding to be due and payable immediately by notice in writing to the Company (and to the Trustee if given by Holders); provided, however, that with respect to certain Events of Default relating to bankruptcy, insolvency and similar events, the principal amount of all Bonds then Outstanding shall be due and payable immediately without further action by the Trustee or the Holders.

The Mortgage Indenture permits, with certain exceptions as therein provided, the Company and the Trustee to enter into one or more supplemental indentures for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Mortgage Indenture with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, considered as one class; provided, however, that if there shall be Bonds of more than one series Outstanding under the Mortgage Indenture and if a proposed supplemental indenture shall directly affect the rights of the Holders of Bonds of one or more, but less than all, of such series, then the consent only of the Holders of a majority in aggregate principal amount of the Outstanding Bonds of all series so directly affected, considered as one class, shall be required; and provided, further, that if the Bonds of any series shall have been issued in more than one Tranche and if a proposed supplemental indenture shall directly affect the rights of the Holders of Bonds of one or more, but less than all, of such Tranches, then the consent only of the Holders of a majority in aggregate principal amount of the Outstanding Bonds of all Tranches so directly affected, considered as one class, shall be required; and provided, further, that the Mortgage Indenture permits the Company and the Trustee to enter into one or more supplemental indentures for certain purposes without the consent of any Holders of Bonds; and provided, further, that for the avoidance of doubt, the foregoing shall not change the voting requirements under Section 14.02 of the Mortgage Indenture, which for the avoidance of doubt, require the consent of the Holders of each Outstanding Bond of each series or Tranche in certain circumstances. The Mortgage Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of Bonds, on behalf of the Holders of all such Bonds, to waive certain past defaults under the Mortgage Indenture and their consequences. Any such consent or waiver by the Holder of this Bond shall be conclusive and binding upon such Holder and upon all future Holders of this Bond and of any Bond issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Bond. Notwithstanding the foregoing, no supplemental indenture shall amend, modify or waive any provision of Section 10.07 of the Mortgage Indenture without the consent of the Holders.

As provided in and subject to the provisions of the Mortgage Indenture, the Holder of this Bond shall not have the right to institute any proceeding with respect to the Mortgage Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default, the Holders of at least 25% in aggregate principal amount of the Bonds at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of at least a majority in aggregate principal amount of Bonds at the time Outstanding a direction inconsistent with such written request, and shall have failed to institute any such proceeding for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Bond for the

enforcement of any payment of principal hereof or interest with respect hereto on or after the respective due dates expressed herein.

No reference herein to the Mortgage Indenture and no provision of this Bond or of the Mortgage Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest with respect to this Bond at the times, place and rate, and in the coin or currency, herein prescribed.

For all purposes of the Mortgage Indenture, the principal amount of this Bond Outstanding as of any date of calculation shall be equal to the Obligations outstanding under the Loan Documents as of such date.

This Bond is issuable in the denomination of \$4,400,000,000 or such greater or lesser amount equal to the face amount of this Bond as provided herein.

As provided in the Mortgage Indenture and subject to certain limitations set forth therein and herein, the transfer of this Bond is registrable in the Bond Register, upon surrender of this Bond for registration of transfer at the office or agency of the Company in any place where the principal of and interest with respect to this Bond are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company, the Trustee or the Bond Registrar, as the case may be, duly executed by the Holder hereof or such Holder's attorney duly authorized in writing, and thereupon one or more new Bonds of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Before any transfer of this Bond by the Holder or such Holder's legal representative will be recognized or given effect by the Company or the Trustee, the Holder shall note the then current principal amount payable on this Bond, the interest accrued to the date of such transfer and the then current face amount of this Bond, and shall notify the Company and the Trustee of the name and address of the transferee and shall afford the Company and the Trustee the opportunity of verifying the notation as to such then current principal amount payable on this Bond, the interest accrued to the date of such transfer and the then current face amount of this Bond. By acceptance hereof the Holder of this Bond and each transferee shall be deemed to have agreed to indemnify and hold harmless the Company and the Trustee against all losses, claims, damages or liability arising out of any failure on part of the Holder or of any such transferee to comply with the requirements of the preceding sentence.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Bond for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Bond is registered as the owner hereof for all purposes, whether or not this Bond be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

This Bond shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to the principles of conflicts of laws thereunder, except to the extent that the Trust Indenture Act shall be applicable.

As provided in the Mortgage Indenture, no recourse shall be had for the payment of the principal of or interest with respect to this Bond, or any part thereof, or for any claim based hereon or otherwise in respect hereof, or of the indebtedness represented hereby, or upon any obligation, covenant or agreement under the Mortgage Indenture, against any incorporator,

shareholder, officer or director, as such, past, present or future, of the Company or of any predecessor or successor corporation (either directly or through the Company or a predecessor or successor corporation), whether by virtue of any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Mortgage Indenture and all the Bonds are solely corporate obligations and that any such personal liability is hereby expressly waived and released as a condition of, and as part of the consideration for, the execution of the Mortgage Indenture and the issuance of this Bond.

Anything in this Bond, the Mortgage Indenture, or the Loan Documents to the contrary notwithstanding, any payment by the Company of principal of or interest on this Bond shall be applied by the holder hereof to the payment of any amounts owing by the Company on the Obligations and Interest Amounts that are then due or are to become due, and shall, to the extent of such application, for all purposes, satisfy and discharge the obligation of the Company to make such payment on such Obligations and Interest Amounts, respectively.

Anything in this Bond, the Mortgage Indenture, or the Loan Documents to the contrary notwithstanding, any payment by the Company of the Obligations and Interest Amounts pursuant to the Loan Documents shall, to the extent thereof, for all purposes, satisfy and discharge the obligation of the Company to make a payment of principal or interest, as the case may be, in respect of this Bond that is then due or is to become due; provided, that any such payment of the Obligations and Interest Amounts pursuant to the Loan Documents shall not reduce the face amount (maximum principal amount) of this Bond, which shall be reduced only to the extent that the Total Commitments shall have been irrevocably reduced in accordance with the Revolving Credit Agreement.

**SCHEDULE OF INCREASES OR DECREASES IN THE PRINCIPAL AMOUNT OF THE BOND OF THE THIRTY-
SECOND SERIES**

<u>Date</u>	<u>Amount of Increase in Principal Amount of this Bond</u>	<u>Amount of Decrease in Principal Amount of this Bond</u>	<u>Principal Amount of this Bond following such Increase or Decrease</u>	<u>Signature of Authorized Signatory of the Trustee</u>

ASSIGNMENT FORM

To assign this Bond, fill in the form below: (1) or (we) assign and transfer this Bond to

(Insert assignee's soc. sec. or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Bond on the books of the Company. The agent may substitute another to act for him.

Date: ____

Your signature: ____
(Sign exactly as your name appears on the face of this Bond)

Tax Identification No.: ____

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Bond Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("*STAMP*") or such other "signature guarantee program" as may be determined by the Bond Registrar in addition to, or in substitution for, *STAMP*, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE 1
RECORDING INFORMATION

This Schedule 1 is hereby incorporated into and made a part of the Seventeenth Supplemental Indenture. The Seventeenth Supplemental Indenture (or a memorandum describing such Seventeenth Supplemental Indenture) shall be recorded in the Official Records of the County (as defined above) in order to put third parties on record notice with respect thereto.

The Mortgage Indenture was initially recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column A below.

The Memorandum of Supplemental First Mortgage Indentures, dated as of August 12, 2020 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column B below.

Certain parcels of real property located in certain counties have been released from the lien of the Mortgage Indenture, as set forth in the 2020 Partial Release (as defined below). To the extent applicable, the Certificate of Partial Release of Lien, dated as of December 15, 2020 (the “**2020 Partial Release**”) was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column C below.

The Seventh Supplemental Indenture, dated as of November 16, 2020 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column D below.

The Eighth Supplemental Indenture, dated as of March 11, 2021 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column E below.

Certain parcels of real property located in certain counties have been released from the lien of the Mortgage Indenture, as set forth in the 2021 Partial Release (as defined below). To the extent applicable, the Certificate of Partial Release of Lien, dated as of September 9, 2021 (the “**2021 Partial Release**”) was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column F below.

The Memorandum of Supplemental First Mortgage Indentures, dated as of August 31, 2021 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column G below.

The Memorandum of Supplemental First Mortgage Indentures, dated as of January 7, 2022 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column H below.

Certain parcels of real property located in certain counties have been released from the lien of the Mortgage Indenture, as set forth in the 2022 Partial Release (as defined below). To the extent applicable, the Certificate of Partial Release of Lien, dated as of March 31, 2022 (the “**2022 Partial Release**”) was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column I below.

The Memorandum of Supplemental First Mortgage Indentures, dated as of May 13, 2022 was recorded in the Official Records of the County on the applicable recording dates and at the applicable instrument numbers set forth in column J below.

	A	B	C	D
County	Recording Date & Instrument Number <i>(Indenture of Mortgage, dated as of June 19, 2020)</i>	Recording Date & Instrument Number <i>(Memorandum of Supplemental First Mortgage Indentures, dated as of August 12, 2020)</i>	Recording Date & Instrument Number <i>(Certificate of Partial Release of Lien, dated as of December 15, 2020)</i>	Recording Date & Instrument Number <i>(Seventh Supplemental Indenture, dated as of November 16, 2020)</i>
Alameda	Date: 7/8/2020 Instrument: 2020159002	Date: 8/19/2020 Instrument: 2020203390	--	Date: 3/8/2021 Instrument: 2021094794
Alpine	Date: 7/8/2020 Instrument: Ins.000313	Date: 8/21/2020 Instrument: 2020000409	--	Date: 2/26/2021 Instrument: 2021-000224
Amador	Date: 7/7/2020 Instrument: 2020-0005302	Date: 8/19/2020 Instrument: 2020-0006984-00	--	Date: 3/8/2021 Instrument: 20210002728
Butte	Date: 7/7/2020 Instrument: 2020-0026656	Date: 8/19/2020 Instrument: 2020-0033263	--	Date: 2/24/2021 Instrument: 2021-0008993
Calaveras	Date: 7/7/2020 Instrument: 2020-008603	Date: 8/19/2020 Instrument: 2020-011334	--	Date: 2/24/2021 Instrument: 2021-003707
Colusa	Date: 7/13/2020 Instrument: 2020-0002012	Date: 8/19/2020 Instrument: 2020-0002404	--	Date: 2/25/2021 Instrument: 2021-0000922
Contra Costa	Date: 7/10/2020 Instrument: 2020-0137967-00	Date: 8/24/2020 Instrument: 2020-0179597	--	Date: 3/8/2021 Instrument: 2021-0068856
El Dorado	Date: 7/7/2020 Instrument: 2020-0033173-00	Date: 8/19/2020 Instrument: 2020-0042892-00	--	Date: 3/4/2021 Instrument: 2021-0014976
Fresno	Date: 7/7/2020 Instrument: 2020-0084490	Date: 8/20/2020 Instrument: 2020-0108156	--	Date: 2/24/2021 Instrument: 2021-0031297
Glenn	Date: 7/8/2020 Instrument: 2020-2622	Date: 8/25/2020 Instrument: 2020-3320	--	Date: 2/25/2021 Instrument: 2021-0901
Humboldt	Date: 7/14/2020 Instrument: 2020-011590	Date: 8/24/2020 Instrument: 2020-014544	--	Date: 3/5/2021 Instrument: 2021005120
Kern	Date: 7/7/2020 Instrument: 220088046	Date: 8/19/2020 Instrument: 220113312	Date: 12/29/2020 Instrument: 220202055	Date: 2/24/2021 Instrument: 221034332
Kings	Date: 7/7/2020 Instrument: 2011843	Date: 8/21/2020 Instrument: 2015093	--	Date: 2/24/2021 Instrument: 2104019

Lake	Date: 7/7/2020 Instrument: 2020008082	Date: 8/19/2020 Instrument: 2020010193	--	Date: 2/24/2021 Instrument: 2021003293
Lassen	Date: 7/8/2020 Instrument: 2020-02654	Date: 8/20/2020 Instrument: 2020-03389	--	Date: 2/25/2021 Instrument: 2021-00982
Madera	Date: 7/7/2020 Instrument: 2020015446	Date: 8/19/2020 Instrument: 2020019584	--	Date: 3/9/2021 Instrument: 2021007361
Marin	Date: 7/7/2020 Instrument: 2020-0028741	Date: 8/19/2020 Instrument: 2020-0037600	--	Date: 2/24/2021 Instrument: 2021-0013112
Mariposa	Date: 7/7/2020 Instrument: 20202190	Date: 8/20/2020 Instrument: 20202821	--	Date: 3/4/2021 Instrument: 20211080
Mendocino	Date: 7/7/2020 Instrument: 202007917	Date: 8/19/2020 Instrument: 2020-10112	--	Date: 2/24/2021 Instrument: 2021-02892
Merced	Date: 7/7/2020 Instrument: 2020022266	Date: 8/19/2020 Instrument: 2020028493	--	Date: 2/24/2021 Instrument: 2021008602
Modoc	Date: 7/7/2020 Instrument: 20200001804	Date: 8/19/2020 Instrument: 20200002135	--	Date: 2/24/2021 Instrument: 20210000422
Monterey	Date: 7/7/2020 Instrument: 2020032685	Date: 8/19/2020 Instrument: 2020042185	--	Date: 2/24/2021 Instrument: 2021014097
Napa	Date: 7/7/2020 Instrument: 2020-0016006	Date: 8/20/2020 Instrument: 2020-0020526	--	Date: 3/4/2021 Instrument: 2021-0008728
Nevada	Date: 7/7/2020 Instrument: 20200015164	Date: 8/25/2020 Instrument: 20200020840	--	Date: 3/4/2021 Instrument: 20210007838
Placer	Date: 7/7/2020 Instrument: 2020-0067740	Date: 8/19/2020 Instrument: 2020-0087937-00	--	Date: 2/24/2021 Instrument: 2021-0026083-00
Plumas	Date: 7/9/2020 Instrument: 2020-0003422	Date: 8/20/2020 Instrument: 2020-0004742	--	Date: 3/11/2021 Instrument: 2021-0001758
Sacramento	Date: 7/7/2020 Instrument: Ins-202007071055	Date: 8/19/2020 Instrument: 202008190892	--	Date: 2/24/2021 Instrument: 202102241076
San Benito	Date: 7/7/2020 Instrument: 2020-0007874	Date: 8/19/2020 Instrument: 2020-0010072	--	Date: 3/4/2021 Instrument: 2021-0003400
San Bernardino	Date: 7/7/2020 Instrument: 2020-0226134	Date: 8/19/2020 Instrument: 2020-0294961	--	Date: 2/24/2021 Instrument: 2021-0087782
San Francisco	Date: 7/7/2020 Instrument: 2020-K949017-00	Date: 8/19/2020 Instrument: 2020006126	--	Date: 2/24/2021 Instrument: 2021036477

San Joaquin	Date: 7/7/2020 Instrument: 2020-080390	Date: 8/19/2020 Instrument: 2020-103840	--	Date: 2/24/2021 Instrument: 2021-033997
San Luis Obispo	Date: 7/7/2020 Instrument: 2020033897	Date: 8/19/2020 Instrument: 2020043805	Date: 3/5/2021 Instrument: 2021017044	Date: 3/8/2021 Instrument: 2021017458
San Mateo	Date: 7/7/2020 Instrument: 2020064008	Date: 8/21/2020 Instrument: 2020-084135	--	Date: 2/24/2021 Instrument: 2021-030961
Santa Barbara	Date: 7/13/2020 Instrument: 2020-0034969	Date: 8/19/2020 Instrument: 2020-0043690	--	Date: 2/24/2021 Instrument: 2021-0014736
Santa Clara	Date: 7/7/2020 Instrument: 24528422	Date: 8/19/2020 Instrument: 24580344	--	Date: 2/24/2021 Instrument: 24845255
Santa Cruz	Date: 7/7/2020 Instrument: 2020-0024403	Date: 8/19/2020 Instrument: 2020-0031634	--	Date: 2/24/2021 Instrument: 2021-0011369
Shasta	Date: 7/7/2020 Instrument: 2020-0021039	Date: 8/19/2020 Instrument: 2020-0027008	Date: 12/29/2020 Instrument: 2020-0047326	Date: 2/24/2021 Instrument: 2021-0007584
Sierra	Date: 7/9/2020 Instrument: 2020171226	Date: 8/20/2020 Instrument: 2020171540	--	Date: 2/25/2021 Instrument: 2020172589
Solano	Date: 7/7/2020 Instrument: Ins-202000054277	Date: 8/19/2020 Instrument: 202000069597	--	Date: 2/24/2021 Instrument: 202100021149
Sonoma	Date: 7/9/2020 Instrument: 2020055917	Date: 8/19/2020 Instrument: 2020070874	--	Date: 2/24/2021 Instrument: 2021021837
Stanislaus	Date: 7/8/2020 Instrument: 2020-0047771	Date: 8/19/2020 Instrument: 2020-0061515-00	--	Date: 2/24/2021 Instrument: 2021-0017942-00
Sutter	Date: 7/8/2020 Instrument: 2020-0009800	Date: 8/19/2020 Instrument: 2020-0012784	--	Date: 2/24/2021 Instrument: 20210003735
Tehama	Date: 7/7/2020 Instrument: 2020007674	Date: 8/19/2020 Instrument: 2020009820	--	Date: 2/24/2021 Instrument: 2021002378
Trinity	Date: 7/8/2020 Instrument: 202002224	Date: 8/20/2020 Instrument: 202002748	--	Date: 2/25/2021 Instrument: 202100581
Tulare	Date: 7/7/2020 Instrument: 2020-0039416	Date: 8/26/2020 Instrument: 2020-0049011	--	Date: 3/2/2021 Instrument: 2021-0015218
Tuolumne	Date: 7/7/2020 Instrument: 2020007628	Date: 8/19/2020 Instrument: 2020009759	--	Date: 3/2/2021 Instrument: 2021003503

Yolo	Date: 7/8/2020 Instrument: 2020-0020467	Date: 8/19/2020 Instrument: 2020-0026550	Date: 3/8/2021 Instrument: 2021-0009288	Date: 3/8/2021 Instrument: 2021-0009289
Yuba	Date: 7/8/2020 Instrument: 2020-010218	Date: 8/19/2020 Instrument: 2020-012939	--	Date: 2/24/2021 Instrument: 2021-003119

County	E Recording Date & Instrument Number <i>(Eighth Supplemental Indenture, dated as of March 11, 2021)</i>	F Recording Date & Instrument Number <i>(Certificate of Partial Release of Lien, dated as of September 9, 2021)</i>	G Recording Date & Instrument Number <i>(Memorandum of Supplemental First Mortgage Indentures, dated as of August 31, 2021)</i>	H Recording Date & Instrument Number <i>(Memorandum of Supplemental First Mortgage Indentures, dated as of January 7, 2022)</i>	I Recording Date & Instrument Number <i>(Certificate of Partial Release of Lien, dated as of March 31, 2022)</i>
Alameda	Date: 06/15/2021 Instrument: 2021215933	--	Date: 09/14/2021 Instrument: 2021309420	Date: 01/26/2022 Instrument: 2022017249	--
Alpine	Date: 06/16/2021 Instrument: 2021000559	--	Date: 09/14/2021 Instrument: 2021-000769	Date: 01/24/2022 Instrument: 2022000031	--
Amador	Date: 06/15/2021 Instrument: 2021-0007084	--	Date: 09/15/2021 Instrument: 2021-0010656	Date: 01/25/2022 Instrument: 2022-0000724	--
Butte	Date: 06/17/2021 Instrument: 2021-0027732	--	Date: 09/10/2021 Instrument: 2021-0040855	Date: 01/21/2022 Instrument: 2022-0002347	--
Calaveras	Date: 06/15/2021 Instrument: 2021-011005	--	Date: 09/16/2021 Instrument: 2021-016140	Date: 01/21/2022 Instrument: 2022-001421	--
Colusa	Date: 06/17/2021 Instrument: 2021-0002508	--	Date: 09/14/2021 Instrument: 2021-0003762	Date: 01/24/2022 Instrument: 2022-0000404	--
Contra Costa	Date: 06/15/2021 Instrument: 2021-0172986	Date: 09/13/2021 Instrument: 2021-0254505	Date: 09/22/2021 Instrument: 2021-0263934	Date: 01/21/2022 Instrument: 2022-0013443	
El Dorado	Date: 06/15/2021 Instrument: 2021-0039831	--	Date: 09/13/2021 Instrument: 2021-0058502	Date: 01/21/2022 Instrument: 2022-0003838	--

Fresno	Date: 06/15/2021 Instrument: 2021-0097447	--	Date: 09/13/2021 Instrument: 2021-0148962	Date: 01/24/2022 Instrument: 2022-0009356	Date: 04/06/2022 Instrument: 2022-0044515
Glenn	Date: 06/23/2021 Instrument: 2021-2872	--	Date: 09/10/2021 Instrument: 2021-4123	Date: 01/24/2022 Instrument: 2022-0307	--
Humboldt	Date: 06/24/2021 Instrument: 2021-014188	--	Date: 09/15/2021 Instrument: 2021-020689	Date: 01/25/2022 Instrument: 2022-001615	--
Kern	Date: 06/15/2021 Instrument: 221112026	--	Date: 09/14/2021 Instrument: 221174492	Date: 01/21/2022 Instrument: 222010906	--
Kings	Date: 06/15/2021 Instrument: 2113322	--	Date: 09/17/2021 Instrument: 2120473	Date: 02/01/2022 Instrument: 2202147	--
Lake	Date: 06/16/2021 Instrument: 2021010225	--	Date: 09/13/2021 Instrument: 2021-015134	Date: 02/02/2022 Instrument: 2022001154	--
Lassen	Date: 06/18/2021 Instrument: 2021-03286	--	Date: 09/13/2021 Instrument: 2021-04857	Date: 01/24/2022 Instrument: 2022-00332	--
Madera	Date: 06/15/2021 Instrument: 2021019093	--	Date: 09/10/2021 Instrument: 2021028583	Date: 01/21/2022 Instrument: 2022001843	--
Marin	Date: 06/15/2021 Instrument: 2021-0039212	--	Date: 09/10/2021 Instrument: 2021-0056705	Date: 01/21/2022 Instrument: 2022-0002727	Date: 04/06/2022 Instrument: 2022-0014733
Mariposa	Date: 06/15/2021 Instrument: 20212780	--	Date: 09/23/2021 Instrument: 20214302	Date: 02/01/2022 Instrument: 20220454	--
Mendocino	Date: 06/16/2021 Instrument: 2021-09192	--	Date: 09/17/2021 Instrument: 2021-14137	Date: 01/25/2022 Instrument: 2022-01242	--
Merced	Date: 06/15/2021 Instrument: 2021026546	--	Date: 09/13/2021 Instrument: 2021040766	Date: 01/21/2022 Instrument: 2022003686	--
Modoc	Date: 06/15/2021 Instrument: 20210001695	--	Date: 09/10/2021 Instrument: 20210002777	Date: 01/21/2022 Instrument: 20220000144	--
Monterey	Date: 06/17/2021 Instrument: 2021042424	--	Date: 09/13/2021 Instrument: 2021061137	Date: 01/24/2022 Instrument: 2022003479	--

Napa	Date: 06/15/2021 Instrument: 2021-0020222	--	Date: 09/13/2021 Instrument: 2021-0029107	Date: 01/25/2022 Instrument: 2022-0001607	--
Nevada	Date: 06/15/2021 Instrument: 20210020480	--	Date: 09/13/2021 Instrument: 20210030075	Date: 01/27/22 Instrument: 20220002043	Date: 03/31/2022 Instrument: 20220007109
Placer	Date: 06/15/2021 Instrument: 2021-0077769-00	--	Date: 09/10/2021 Instrument: 2021-0114356-00	Date: 01/25/2022 Instrument: 2022-0007227-00	Date: 03/31/2022 Instrument: 2022-0027849-00
Plumas	Date: 06/18/2021 Instrument: 2021-4121	Date: 09/21/2021 Instrument: 2021-0006513	Date: 09/24/2021 Instrument: 2021-0006605	Date: 01/24/2022 Instrument: 2022-0000507	--
Sacramento	Date: 06/18/2021 Instrument: 202106180534	--	Date: 09/13/2021 Instrument: 202109130797	Date: 01/21/2022 Instrument: 202201211306	--
San Benito	Date: 06/23/2021 Instrument: 2021-0009669	--	Date: 09/20/2021 Instrument: 2021-0014111	Date: 01/21/2022 Instrument: 2022-0000812	--
San Bernardino	Date: 06/15/2021 Instrument: 2021-0270300	--	Date: 09/10/2021 Instrument: 2021-0414379	Date: 01/21/2022 Instrument: 2022-0026583	--
San Francisco	Date: 06/16/2021 Instrument: 2021096597	--	Date: 09/20/2021 Instrument: 2021147122	Date: 01/28/2022 Instrument: 2022010094	--
San Joaquin	Date: 06/15/2021 Instrument: 2021-102076	--	Date: 09/10/2021 Instrument: 2021-152907	Date: 01/21/2022 Instrument: 2022-009240	--
San Luis Obispo	Date: 06/15/2021 Instrument: 2021042772	--	Date: 09/10/2021 Instrument: 2021062407	Date: 01/24/2022 Instrument: 2022003310	--
San Mateo	Date: 06/15/2021 Instrument: 2021-090929	--	Date: 09/14/2021 Instrument: 2021-132011	Date: 01/24/2022 Instrument: 2022-006389	Date: 04/07/2022 Instrument: 2022-029645
Santa Barbara	Date: 06/16/2021 Instrument: 2021-0045121	--	Date: 09/15/2021 Instrument: 2021-0065545	Date: 01/24/2022 Instrument: 2022-0004075	--
Santa Clara	Date: 06/15/2021 Instrument: 24996810	Date: 09/21/2021 Instrument: 25107264	Date: 09/22/2021 Instrument: 25109534	Date: 01/24/2022 Instrument: 25224313	Date: 04/07/2022 Instrument: 25277354

Santa Cruz	Date: 06/15/2021 Instrument: 2021-0032793	--	Date: 09/10/2021 Instrument: 2021-0046780	Date: 01/21/2022 Instrument: 2022-0002159	--
Shasta	Date: 06/15/2021 Instrument: 2021-0024897	Date: 09/20/2021 Instrument: 2021-0039149	Date: 09/22/2021 Instrument: 2021-0039480	Date: 01/21/2022 Instrument: 2022-0002199	Date: 04/06/2022 Instrument: 2022-0011169
Sierra	Date: 06/17/2021 Instrument: 2021173017	--	Date: 09/14/2021 Instrument: 2021173609	Date: 01/26/2022 Instrument: 2022174179	--
Solano	Date: 06/15/2021 Instrument: 202100064487	--	Date: 09/10/2021 Instrument: 202100095898	Date: 01/24/2022 Instrument: 202200005916	--
Sonoma	Date: 06/15/2021 Instrument: 2021070076	--	Date: 09/13/2021 Instrument: 2021102595	Date: 01/24/2022 Instrument: 2022004991	--
Stanislaus	Date: 06/16/2021 Instrument: 2021-0057206	--	Date: 10/05/2021 Instrument: 2021-0093766	Date: 02/02/2022 Instrument: 2022-0007967	--
Sutter	Date: 06/17/2021 Instrument: 2021-0011236	--	Date: 09/29/2021 Instrument: 2021-0017681	Date: 01/25/2022 Instrument: 2022-0001163	--
Tehama	Date: 06/15/2021 Instrument: 2021008603	--	Date: 09/10/2021 Instrument: 2021012840	Date: 01/21/2022 Instrument: 2022000860	--
Trinity	Date: 06/17/2021 Instrument: 202101938	--	Date: 09/13/2021 Instrument: 202105327	Date: 01/24/2022 Instrument: 202200200	--
Tulare	Date: 06/15/2021 Instrument: 2021-0043754	--	Date: 09/10/2021 Instrument: 2021-0066763	Date: 02/25/2022 Instrument: 2022-0005026	--
Tuolumne	Date: 06/17/2021 Instrument: 2021009478	--	Date: 09/10/2021 Instrument: 2021014302	Date: 01/24/2022 Instrument: 2022000979	--
Yolo	Date: 06/16/2021 Instrument: 2021-0023598	--	Date: 09/10/2021 Instrument: 2021-0034493	Date: 01/24/2022 Instrument: 2022-0001936	--
Yuba	Date: 06/15/2021 Instrument: 2021-010827	--	Date: 09/10/2021 Instrument: 2021-016949	Date: 01/24/2022 Instrument: 2022-001131	--

	J				
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County	Recording Date & Instrument Number <i>(Memorandum of Supplemental First Mortgage Indentures, dated as of May 13, 2022)</i>				
Alameda	Date: 05/25/2022 Instrument: 2022100365				
Alpine	Date: 05/20/2022 Instrument: 2022000254				
Amador	Date: 05/23/2022 Instrument: 2022-0004637				
Butte	Date: 05/18/2022 Instrument: 2022-0017492				
Calaveras	Date: 05/24/2022 Instrument: 2022-006931				
Colusa	Date: 05/20/2022 Instrument: 2022-0001852				
Contra Costa	Date: 05/24/2022 Instrument: 2022-0087997				
El Dorado	Date: 05/18/2022 Instrument: 2022-0022236				
Fresno	Date: 05/24/2022 Instrument: 2022-0069162				
Glenn	Date: 05/18/2022 Instrument: 2022-1984				
Humboldt	Date: 05/23/2022 Instrument: 2022-010058				

Kern	Date: 05/24/2022 Instrument: 222082073				
Kings	Date: 06/03/2022 Instrument: 2022-2210786				
Lake	Date: 05/20/2022 Instrument: 2022007278				
Lassen	Date: 05/20/2022 Instrument: 202202323				
Madera	Date: 05/18/2022 Instrument: 2022013676				
Marin	Date: 05/18/2022 Instrument: 2022-0020238				
Mariposa	Date: 05/23/2022 Instrument: 20222048				
Mendocino	Date: 06/03/2022 Instrument: 2022-07008				
Merced	Date: 05/18/2022 Instrument: 2022019388				
Modoc	Date: 05/18/2022 Instrument: 20220000978				
Monterey	Date: 05/25/2022 Instrument: 2022024181				
Napa	Date: 05/24/2022 Instrument: 2022-0010514				
Nevada	Date: 05/18/2022 Instrument: 20220010774				

Placer	Date: 05/18/2022 Instrument: 2022-0042292-00				
Plumas	Date: 05/18/2022 Instrument: 2022-0003099				
Sacramento	Date: 05/24/2022 Instrument: 202205240418				
San Benito	Date: 05/18/2022 Instrument: 2022-0005300				
San Bernardino	Date: 05/18/2022 Instrument: 2022-0184555				
San Francisco	Date: 05/24/2022 Instrument: 2022052240				
San Joaquin	Date: 05/24/2022 Instrument: 2022-065791				
San Luis Obispo	Date: 05/18/2022 Instrument: 2022021410				
San Mateo	Date: 05/18/2022 Instrument: 2022-041210				
Santa Barbara	Date: 05/18/2022 Instrument: 2022-0024575				
Santa Clara	Date: 05/18/2022 Instrument: 25304880				
Santa Cruz	Date: 05/18/2022 Instrument: 2022-0015672				
Shasta	Date: 05/18/2022 Instrument: 2022-0015875				

Sierra	Date: 05/20/2022 Instrument: 2022174496				
Solano	Date: 05/18/2022 Instrument: 202200035505				
Sonoma	Date: 05/18/2022 Instrument: 2022035095				
Stanislaus	Date: 06/13/2022 Instrument: 2022-0042714				
Sutter	Date: 05/23/2022 Instrument: 2022-0007448				
Tehama	Date: 05/18/2022 Instrument: 2022006372				
Trinity	Date: 05/20/2022 Instrument: 202201347				
Tulare	Date: 05/18/2022 Instrument: 2022-0031627				
Tuolumne	Date: 05/18/2022 Instrument: 2022006308				
Yolo	Date: 05/18/2022 Instrument: 2022-0012366				
Yuba	Date: 05/18/2022 Instrument: 2022-008109				

AMENDMENT NO. 2 TO CREDIT AGREEMENT

This AMENDMENT NO. 2 TO CREDIT AGREEMENT, dated as of October 4, 2022 (this “Amendment”), is entered into by and among PG&E Corporation, a California corporation (the “Borrower”), the Consenting Lenders and JPMORGAN CHASE BANK, N.A. (“JPMCB”) as administrative agent (in such capacity and including any successors in such capacity, the “Administrative Agent”).

RECITALS:

WHEREAS, reference is hereby made to the Credit Agreement, dated as of July 1, 2020, among the Borrower, the lenders party thereto from time to time, the Administrative Agent, the Collateral Agent and the other parties thereto (as amended by Amendment No. 1 to Credit Agreement dated as of June 22, 2021, the “Credit Agreement”, capitalized terms used (including in the preamble and recitals hereto) but not defined herein shall have the meanings assigned to such terms in the Credit Agreement (as amended hereby));

WHEREAS, each Lender holding Commitments (the “Existing Commitments”) immediately prior to the Amendment No. 2 Effective Date (the Lenders with Existing Commitments, the “Existing Lenders”) that executes and delivers an executed counterpart to this Amendment agrees to the terms of this Amendment upon the effectiveness of this Amendment on the Amendment No. 2 Effective Date (such lenders, the “Consenting Lenders”), whereby the Borrower shall have exercised one of its extension options under the Credit Agreement (as in effect prior to the Amendment No. 2 Effective Date) to extend the maturity date of the Loans held by such Consenting Lenders from June 22, 2024 to June 22, 2025;

WHEREAS, JPMCB (or an Affiliate thereof) is acting as a joint lead arranger and bookrunner (in such capacity, the “Left Lead Arranger”) in respect of this Amendment and Citibank, N.A., Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC are acting as joint lead arrangers and bookrunners (in such capacities, together with the Left Lead Arranger, the “Lead Arrangers”) in respect of this Amendment; and

WHEREAS, this Amendment is an amendment made with the consent of the Consenting Lenders, the Borrower and the Administrative Agent pursuant to Section 10.1 of the Credit Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto hereby agree as follows:

- A. **Reserved**.
- B. **Amendments to Credit Agreement**. On the Amendment No. 2 Effective Date (as defined below), the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached as Exhibit A hereto.
- C. **Conditions Precedent**. This Amendment shall become effective as of the date first above written when, and only when, each of the following conditions precedent shall have been satisfied or, to the extent permitted under the Credit Agreement, waived (the “Amendment No. 2 Effective Date”):
 - 1. **Executed Counterparts**. The Administrative Agent shall have received a counterpart to this Amendment duly executed by the Borrower, the Consenting Lenders (which shall constitute all Lenders) and the Administrative Agent;

2. **Organizational Documents; Certificates.** The Administrative Agent shall have received (i) a certificate of the Borrower, dated the Amendment No. 2 Effective Date (with a recent short-form good standing certificate of the Borrower), similar to the one delivered pursuant to Section 5.1(f) of the Credit Agreement, with appropriate insertions and attachments and (ii) a certificate of a Responsible Officer, dated the Amendment No. 2 Effective Date, confirming the satisfaction of the conditions precedent set forth in clauses (3), (4) and (7) below;
3. **Representations and Warranties.** The representations and warranties of the Borrower contained in Section 4 of the Credit Agreement (other than Section 4.2) shall be true and correct in all material respects immediately prior to and immediately after giving effect to this Amendment; *provided* that each of such representations and warranties that contains a materiality qualification shall be true and correct on and as of the Amendment No. 2 Effective Date (or, to the extent such representations and warranties specifically relate to an earlier date, such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date);
4. **No Default.** No Default or Event of Default shall have occurred and be continuing immediately prior to, and immediately after giving effect to, the Amendment No. 2 Effective Date;
5. **Fees and Expenses.** On or prior to the Amendment No. 2 Effective Date, the Borrower shall have paid (i) all reasonable out-of-pocket costs and expenses of the Administrative Agent and the Lead Arrangers required to be paid or reimbursed by the Borrower in connection with the preparation, negotiation, execution and delivery of this Amendment and related documentation (including, in each case, without limitation, the reasonable fees and disbursements of counsel for the Administrative Agent and the Lead Arrangers with respect thereto) and (ii) all other fees then due and payable to the Administrative Agent or Lead Arrangers in connection with this Amendment, in each case, for which invoices have been presented (including the reasonable fees and expenses of legal counsel) on or before the date that is two (2) Business Days prior to the Amendment No. 2 Effective Date;
6. **KYC Information.** At least three (3) Business Days prior to the Amendment No. 2 Effective Date, the Administrative Agent and each Lender shall have received all documentation and information relating to the Borrower as is reasonably requested in writing by the Administrative Agent and/or any such Lender at least ten (10) Business Days prior to the Amendment No. 2 Effective Date that is required by Governmental Authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation. If the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation and the Administrative Agent or any Lender so request at least five (5) Business Days prior to the Amendment No. 2 Effective Date, then at least three (3) Business Days prior to the Amendment No. 2 Effective Date, the Borrower shall have delivered to the Administrative Agent and/or any such Lender a Beneficial Ownership Certification in relation to the Borrower; and
7. **Material Adverse Effect.** Since December 31, 2021, no Material Adverse Effect has occurred.

D. **Other Terms.**

1. Reference to the Effect on the Loan Documents.
-

- i. As of the Amendment No. 2 Effective Date, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein,” or words of like import, and each reference in the other Loan Documents to the “Credit Agreement” (including, without limitation, by means of words like “thereunder,” “thereof” and words of like import), shall mean and be a reference to the Credit Agreement as amended hereby, and this Amendment and the Credit Agreement shall be read together and construed as a single instrument.
 - ii. Except as expressly amended hereby or specifically waived above, all of the terms and provisions of the Credit Agreement and all other Loan Documents are and shall remain in full force and effect and are hereby ratified and confirmed.
 - iii. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders, the Borrower, the Lead Arrangers or the Administrative Agent under any of the Loan Documents, nor constitute a waiver or amendment of any other provision of any of the Loan Documents or for any purpose except as expressly set forth herein.
 - iv. This Amendment is a Loan Document.
 2. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of (x) this Amendment and/or (y) any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Amendment and/or the transactions contemplated hereby (each an “Ancillary Document”) that is an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record (each, an “Electronic Signature”) transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be.
 3. Ratification. This Amendment shall be effective pursuant to Section 10.1 of the Credit Agreement (and approved and ratified by the Consenting Lenders and the Administrative Agent for all purposes under the Loan Documents) to the extent this Amendment is signed by each of the Consenting Lenders and the Administrative Agent.
 4. Governing Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.
 5. Section Titles. The section titles contained in this Amendment are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto, except when used to reference a section.
 6. Notices. All communications and notices hereunder shall be given as provided in the Credit Agreement.
-

7. Severability. The fact that any term or provision of this Amendment is held invalid, illegal or unenforceable as to any person in any situation in any jurisdiction shall not affect the validity, enforceability or legality of the remaining terms or provisions hereof or the validity, enforceability or legality of such offending term or provision in any other situation or jurisdiction or as applied to any person.
8. Successors. The terms of this Amendment shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.
9. Jurisdiction; Waiver of Jury Trial. The jurisdiction and waiver of right to trial by jury provisions in Section 10.12 and Section 10.15, respectively, of the Credit Agreement are incorporated herein by reference *mutatis mutandis*.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Amendment as of the date first set
PG&E CORPORATION, as the Borrower

By: /s/ Margaret K. Becker

Name: Margaret K. Becker

Title: Vice President and Treasurer

forth above.

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as a Consenting Lender

By: /s/ Arina Mavilian

Name: Arina Mavilian

Title: Executive Director

CITIBANK, N.A., as a Consenting Lender

By: /s/ Richard Rivera

Name: Richard Rivera

Title: Vice President

Citicorp North America, Inc., as a Consenting Lender

By: /s/ Richard Rivera

Name: Richard Rivera

Title: Vice President

BANK OF AMERICA, N.A., as a Consenting Lender

By: /s/ Jacqueline G. Margetis

Name: Jacqueline G. Margetis

Title: Director

BARCLAYS BANK PLC, as a Consenting Lender

By: /s/ Sydney G. Dennis

Name: Sydney G. Dennis

Title: Director

GOLDMAN SACHS BANK USA, as a Consenting Lender

By: /s/ Thomas Manning

Name: Thomas Manning

Title: Authorized Signatory

Wells Fargo Bank, National Association, as a Consenting Lender

By: /s/ Gregory R. Gredvig

Name: Gregory R. Gredvig

Title: Director

BNP PARIBAS, as a Consenting Lender

By: /s/ Denis O'Meara

Name: Denis O'Meara

Title: Managing Director

By: /s/ Victor Padilla

Name: Victor Padilla

Title: Vice President

CREDIT SUISSE AG, NEW YORK BRANCH, as a Consenting Lender

By: /s/ Doreen Barr

Name: Doreen Barr

Title: Authorized Signatory

By: /s/ Michael Dieffenbacher

Name: Michael Dieffenbacher

Title: Authorized Signatory

Mizuho Bank, Ltd., as a Consenting Lender

By: /s/ Edward Sacks

Name: Edward Sacks

Title: Authorized Signatory

MUFG Union Bank, N.A., as a Consenting Lender

By: /s/ Nietzsche Rodricks

Name: Nietzsche Rodricks

Title: Managing Director

Bank of Montreal, as a Consenting Lender

By: /s/ Michael Cummings

Name: Michael Cummings

Title: Managing Director

THE BANK OF NEW YORK MELLON, as a Consenting Lender

By: /s/ Molly H. Ross

Name: Molly H. Ross

Title: Vice President

EXHIBIT A

Attached.

\$500,000,000

CREDIT AGREEMENT

among

PG&E CORPORATION,
as Borrower,

the Several Lenders from Time to Time Parties Hereto,

JPMorgan chase bank, n.a., as Administrative Agent
JPMorgan chase bank, n.a.,

as Collateral Agent,

BOFA SECURITIES, INC.
BARCLAYS BANK PLC,
CITIBANK, N.A.
GOLDMAN SACHS BANK USA, and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Co-Syndication Agents,
and

BNP PARIBAS,
CREDIT SUISSE AG, NEW YORK BRANCH,
MIZUHO BANK, LTD.,
MUFG UNION BANK, N.A., and
BANK OF MONTREAL, CHICAGO BRANCH,
as Co-Documentation Agents

Dated as of July 1, 2020,

as amended by Amendment No. 1 to Credit Agreement, dated as of June 22, 2021

and as amended by Amendment No. 2 to Credit Agreement, dated as of October 4, 2022

JPMorgan chase bank, n.a.,
BofA Securities, Inc.,
Barclays Bank PLC,
CitiBANK, N.A.
Goldman Sachs Bank USA and
wells fargo securities, llc
as Joint Lead Arrangers and

Joint Bookrunners

TABLE OF CONTENTS

	Page
Section 1. DEFINITIONS.....	1
1.1 Defined Terms.....	1
1.2 Other Definitional Provisions and Interpretative Provisions.....	29 <u>31</u>
1.3 Divisions.....	31 <u>32</u>
1.4 Interest Rates; LIBOR <u>Benchmark</u> Notification.....	31 <u>32</u>
Section 2. AMOUNT AND TERMS OF COMMITMENTS.....	31 <u>33</u>
2.1 Commitments.....	31 <u>33</u>
2.2 Procedure for Revolving Loan Borrowing.....	32 <u>33</u>
2.3 Commitment Increases.....	32 <u>34</u>
2.4 [Reserved].....	34 <u>35</u>
2.5 [Reserved].....	34 <u>35</u>
2.6 Commitment Fees, Etc.....	34 <u>35</u>
2.7 Termination or Reduction of Commitments; Extension of Termination	
Date.....	34 <u>36</u>
2.8 Optional Prepayments.....	36 <u>38</u>
2.9 Conversion and Continuation Options.....	36 <u>38</u>
2.10 Limitations on Eurodollar <u>Term Benchmark</u> Tranches.....	37 <u>39</u>
2.11 Interest Rates and Payment Dates.....	37 <u>39</u>
2.12 Computation of Interest and Fees.....	38 <u>39</u>
2.13 Inability to Determine Interest Rate.....	38 <u>40</u>
2.14 Pro Rata Treatment and Payments; Notes.....	40 <u>42</u>
2.15 Change of Law.....	41 <u>44</u>
2.16 Taxes.....	42 <u>45</u>
2.17 Indemnity.....	46 <u>49</u>
2.18 Change of Lending Office.....	46 <u>49</u>
2.19 Replacement of Lenders.....	47 <u>49</u>
2.20 Defaulting Lenders.....	47 <u>50</u>
2.21 Illegality.....	48 <u>51</u>
Section 3. [Reserved].....	49 <u>51</u>
Section 4. REPRESENTATIONS AND WARRANTIES.....	49 <u>51</u>
4.1 Financial Condition.....	49 <u>52</u>
4.2 No Change.....	49 <u>52</u>
4.3 Existence; Compliance with Law.....	50 <u>52</u>
4.4 Power; Authorization; Enforceable Obligations.....	50 <u>52</u>
4.5 No Legal Bar.....	50 <u>53</u>
4.6 Litigation.....	50 <u>53</u>
4.7 No Default.....	51 <u>53</u>
4.8 Taxes.....	51 <u>53</u>
4.9 Federal Regulations.....	51 <u>54</u>
4.10 ERISA.....	51 <u>54</u>
4.11 Investment Company Act; Other Regulations.....	52 <u>54</u>
4.12 Use of Proceeds.....	52 <u>55</u>
4.13 Environmental Matters.....	52 <u>55</u>

4.14 Regulatory Matters.....	52 <u>55</u>
4.15 Sanctions; Anti-Corruption.....	52 <u>55</u>
4.16 Affected Financial Institutions.....	53 <u>55</u>
4.17 Solvency.....	53 <u>55</u>
4.18 Disclosure.....	53 <u>56</u>
4.19 Validity of Security Interests.....	54 <u>56</u>
4.20 Ownership of Property.....	54 <u>56</u>
4.21 Covered Entity.....	54 <u>56</u>
Section 5. CONDITIONS PRECEDENT.....	54 <u>56</u>
5.1 Conditions to the Effective Date.....	54 <u>57</u>
5.2 Conditions to Each Credit Event.....	56 <u>58</u>
Section 6. AFFIRMATIVE COVENANTS.....	56 <u>59</u>
6.1 Financial Statements.....	57 <u>59</u>
6.2 Certificates; Other Information.....	57 <u>60</u>
6.3 Payment of Taxes.....	58 <u>60</u>
6.4 Maintenance of Existence; Compliance.....	58 <u>61</u>
6.5 Maintenance of Property; Insurance.....	58 <u>61</u>
6.6 Inspection of Property; Books and Records; Discussions.....	59 <u>61</u>
6.7 Notices.....	59 <u>62</u>
6.8 Maintenance of Licenses, etc.....	59 <u>62</u>
6.9 Further Assurances.....	59 <u>62</u>
Section 7. NEGATIVE COVENANTS.....	60 <u>62</u>
7.1 Indebtedness.....	60 <u>62</u>
7.2 Financial Covenants.....	62 <u>64</u>
7.3 Liens.....	63 <u>65</u>
7.4 Sale and Lease Back Transactions.....	65 <u>67</u>
7.5 Investments.....	65 <u>67</u>
7.6 Fundamental Changes.....	66 <u>68</u>
7.7 Dispositions.....	67 <u>69</u>
7.8 Change in Nature of Business.....	68 <u>70</u>
7.9 Transactions with Affiliates.....	68 <u>70</u>
7.10 Burdensome Agreements.....	68 <u>71</u>
7.11 Use of Proceeds.....	69 <u>71</u>
7.12 Restricted Payments.....	69 <u>71</u>
7.13 Swap Agreements.....	69 <u>72</u>
7.14 Ownership of PG&E Utility Common Stock.....	70 <u>72</u>
Section 8. EVENTS OF DEFAULT.....	70 <u>72</u>
Section 9. THE AGENTS.....	72 <u>74</u>
9.1 Appointment and Authority.....	72 <u>75</u>
9.2 Delegation of Duties.....	72 <u>75</u>
9.3 Exculpatory Provisions.....	73 <u>75</u>
9.4 Reliance by Agents.....	74 <u>76</u>
9.5 Notice of Default.....	74 <u>76</u>
9.6 Non-Reliance on Agents and Other Lenders.....	74 <u>77</u>
9.7 Indemnification.....	75 <u>77</u>
9.8 Agent in Its Individual Capacity.....	75 <u>77</u>
9.9 Successor Agents.....	75 <u>78</u>
9.10 Documentation Agents and Syndication Agents.....	77 <u>79</u>

9.11 Administrative Agent May File Proofs of Claim.....	77 79
9.12 Collateral Matters.....	77 80
9.13 Credit Bidding.....	78 80
9.14 Intercreditor Agreement; Pledge Agreement.....	78 81
9.15 Certain ERISA Matters.....	78 81
<u>9.16 Erroneous Payment.....</u>	<u>82</u>
 Section 10. MISCELLANEOUS.....	 80 84
10.1 Amendments and Waivers.....	80 84
10.2 Notices.....	81 86
10.3 No Waiver; Cumulative Remedies.....	83 88
10.4 Survival of Representations and Warranties.....	84 88
10.5 Payment of Expenses and Taxes.....	84 88
10.6 Successors and Assigns; Participations and Assignments.....	85 89
10.7 Adjustments; Set off.....	89 93
10.8 Counterparts; Electronic Execution; Binding Effect.....	90 94
10.9 Severability.....	91 95
10.10 Integration.....	91 95
10.11 GOVERNING LAW.....	91 95
10.12 Submission To Jurisdiction; Waivers.....	91 95
10.13 Acknowledgments.....	92 96
10.14 Confidentiality.....	92 96
10.15 WAIVERS OF JURY TRIAL.....	93 97
10.16 USA Patriot Act; Beneficial Ownership Regulation.....	93 97
10.17 Judicial Reference.....	93 97
10.18 No Advisory or Fiduciary Responsibility.....	93 97
10.19 Acknowledgement Regarding Any Supported QFCs.....	94 98
10.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.....	94 99
10.21 Release of Liens.....	95 99

SCHEDULES:

1.1 Commitments
7.4 Sale and Lease Back Transactions
7.9 Transactions with Affiliates
7.12 Restricted Payments

EXHIBITS:

A Form of New Lender Supplement
B Form of Commitment Increase Supplement
C Form of Compliance Certificate
D Form of Closing Certificate
E Form of Assignment and Assumption
F [Reserved]
G Forms of U.S. Tax Compliance Certificates
H Form of Note
I Form of Solvency Certificate

This CREDIT AGREEMENT (this “Agreement”), dated as of July 1, 2020, among PG&E CORPORATION, a California corporation (the “Borrower”), the several banks and other financial institutions or entities from time to time parties to this Agreement (the “Lenders”) and JPMorgan chase bank, n.a., as administrative agent (in such capacity, together with any permitted successor thereto, the “Administrative Agent”) and JPMorgan chase bank, n.a., as collateral agent (in such capacity, together with any permitted successor thereto, the “Collateral Agent”).

WITNESSETH:

WHEREAS, on January 29, 2019, Pacific Gas and Electric Company, a California corporation (“PG&E Utility”), and the Borrower, holder of all of the issued and outstanding common stock of PG&E Utility filed voluntary petitions for relief in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”), and commenced their respective cases under chapter 11 of title 11 of the United States Code;

WHEREAS, on June 19, 2020, the Borrower and PG&E Utility filed the Borrower’s, PG&E Utility’s and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated June 19, 2020 Docket No. 8048 (together with all exhibits, schedules, annexes, supplements, and other attachments thereto, and as may be further amended, modified or otherwise changed in accordance with this Agreement, the “Plan of Reorganization”);

WHEREAS, on June 20, 2020, the Plan of Reorganization was confirmed by the Bankruptcy Court and was consummated on the Effective Date;

WHEREAS, in connection with the foregoing, the Borrower ~~has~~ requested that the Lenders provide the commitments and loans set forth herein and the Lenders are willing to make available to the Borrower such commitments and loans upon the terms and subject to the conditions set forth herein; ~~and~~

WHEREAS, in connection with Amendment No. 1, the Borrower ~~has~~ requested that this Agreement be amended as set forth in Amendment No. 1 pursuant to Amendment No. 1; ~~and~~

WHEREAS, in connection with Amendment No. 2, the Borrower requested that this Agreement be amended as set forth in Amendment No. 2 pursuant to Amendment No. 2.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

“ABR”: for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the ~~Eurodollar~~ Adjusted Term SOFR Rate for a one month Interest Period ~~commencing on~~ as published two U.S. Government Securities Business Days prior to such day ~~(or if such day is not a Business Day, the immediately preceding Business Day)~~ plus 1%; provided that for the purpose of this definition, the ~~Eurodollar~~ Adjusted Term SOFR Rate for any day shall be based

on the ~~Eurodollar Screen Rate (or if the Eurodollar Screen Rate is not available for such one month Interest Period, the Interpolated Rate)~~ Term SOFR Reference Rate (at approximately ~~11:00 a.m. London~~ 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology)). Any change in the ABR due to a change in the Prime Rate, the NYFRB Rate or the ~~Eurodollar~~ Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the ~~Eurodollar~~ Adjusted Term SOFR Rate, respectively. If ABR is being used as an alternate rate of interest pursuant to Section 2.13 (for the avoidance of doubt, only until any amendment has become effective pursuant to Section 2.13(b)), then ABR shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. If the ABR as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

“ABR Loans”: Loans the rate of interest applicable to which is based upon the ABR.

“Adjusted Borrower Cash”: for any period:

- i. the amount of unrestricted cash and cash equivalents on the balance sheet of the Borrower determined in accordance with GAAP on the last day of such period (other than cash and cash equivalents that are proceeds of Revolving Loans), *minus*
- ii. the difference, if positive, of (A) the aggregate amount of net cash proceeds received by the Borrower from the issuance or incurrence of any Indebtedness (other than the incurrence of Indebtedness under this Agreement) during such period *less* (B) the aggregate amount of repayments or prepayments of any Indebtedness (other than repayments or prepayments of Indebtedness under this Agreement) during such period.

“Adjusted Daily Simple SOFR Rate”: an interest rate per annum equal to (a) the Daily Simple SOFR, plus (b) 0.10%; provided that if the Adjusted Daily Simple SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Adjusted Term SOFR Rate”: for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, plus (b) 0.10%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Administrative Agent”: as defined in the preamble hereto.

“Affected Financial Institution”: (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate”: with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent Parties”: as defined in Section 10.2(d)(ii).

“Agents”: the collective reference to the Collateral Agent, the Syndication Agents, the Documentation Agents and the Administrative Agent.

“Agreement”: as defined in the preamble hereto.

“Amendment No. 1”: that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among the Borrower, each Lender party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent.

“Amendment No. 1 Effective Date”: June 22, 2021.

“Amendment No. 2”: that certain Amendment No. 2 to Credit Agreement, dated as of the Amendment No. 2 Effective Date, among the Borrower, each Lender party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent.

“Amendment No. 2 Effective Date”: October 4, 2022.

“Anti-Corruption Laws”: as defined in Section 4.15.

“Applicable Margin”: for any day, the applicable rate per annum set forth under the relevant column heading below, based upon the Ratings then in effect:

Level	Rating S&P/Moody's/Fitch	Applicable Margin for ABR Loans	Applicable Margin for Eurodollar <u>Term Benchmark</u> Loans
1	Higher than BB/Ba2/BB	1.00%	2.00%
2	BB/Ba2/BB	1.50%	2.50%
3	BB-/Ba3/BB-	2.50%	3.50%
4	B+/B1/B+	2.75%	3.75%
5	B/B2/B	3.00%	4.00%
6	Lower than B/B2/B	3.25%	4.25%

Subject to the provisions of this paragraph regarding split ratings, changes in the Applicable Margin shall become effective on the date on which S&P, Moody's and/or Fitch changes its relevant Rating. (a) If Ratings are issued by all three rating agencies and the respective Ratings issued by two or more of the rating agencies are in the same pricing level, that pricing level shall apply; (b) if Ratings are issued by all three rating agencies and none of the respective Ratings are in the same pricing level, the pricing level shall be determined based on the middle Rating; (c) if only two Ratings are issued and they differ by one level, then the pricing level for the higher of such Ratings shall apply; (d) if only two Ratings are issued and they differ by more than one level, then the pricing level that is one level lower than the pricing level of the higher Rating shall apply; (e) if only one Rating is issued, the pricing level shall be determined based on that Rating; and (f) if no such Ratings in clauses (a) through (e) of this sentence are issued for the

Borrower, but are generally available for other companies, then the Applicable Margin shall be those set forth above opposite pricing level 6.

“Approved Fund”: with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of any entity that administers or manages such Lender.

“Arrangers”: (i) with respect to the transactions on the Effective Date, the Joint Lead Arrangers and Joint Bookrunners identified on the cover hereto ~~and~~ (ii) with respect to the transactions contemplated by Amendment No. 1 as of the Amendment No. 1 Effective Date, JPMorgan Chase Bank, N.A., Citibank, N.A., Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC ~~and~~ (iii) with respect to the transactions contemplated by Amendment No. 2 as of the Amendment No. 2 Effective Date, JPMorgan Chase Bank, N.A., Citibank, N.A., Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC.

“A/R Securitization Assets”: (i) any accounts receivable, notes receivable, rights to future accounts receivable, notes receivable or residuals or other similar rights to payments due or any other rights to payment or related assets in respect of the provision of gas and electric service to consumers or otherwise (whether then existing or arising in the future) of the Borrower or any of its Subsidiaries and the proceeds thereof and (ii) all collateral securing such receivable or asset, all contracts and contract rights, guarantees or other obligations in respect of such receivable or asset, lockbox accounts and records with respect to such receivables or asset and any other assets customarily transferred (or in respect of which security interests are customarily granted) together with receivables or assets in connection with a securitization transaction involving such assets.

“A/R Securitization Subsidiary”: PG&E AR Facility, LLC and any other Subsidiary formed and operating solely for the purpose of entering into A/R Securitization Transactions and engaging in activities ancillary thereto.

“A/R Securitization Transaction”: any financing transaction or series of financing transactions entered into by any Subsidiary of the Borrower pursuant to which such Subsidiary may sell, convey or otherwise transfer to any Person (including, without limitation, an A/R Securitization Subsidiary), or may grant a security interest in any A/R Securitization Assets and that are (other than to the extent of the Standard A/R Securitization Obligations) non-recourse to the Borrower or any of its Subsidiaries (other than an A/R Securitization Subsidiary).

“Assignee”: as defined in Section 10.6(b).

“Assignment and Assumption”: an Assignment and Assumption, substantially in the form of Exhibit E.

“Available Commitment”: as to any Lender at any time, an amount equal to the excess, if any, of (a) such Lender’s Commitment then in effect over (b) the principal amount of such Lender’s then outstanding Revolving Loans.

“Available Tenor”: as of any date of determination and with respect to the then-current Benchmark, as applicable, ~~(x) if the then-current Benchmark is a term rate,~~ any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period ~~or (y) for any term rate or otherwise, any payment period for determining any frequency of making payments of interest calculated with reference to such Benchmark, as applicable,~~ pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.13.

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation”: (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Court”: as defined in the first recital paragraph.

“Benchmark”: initially, ~~the Eurodollar Base~~ with respect to any Term Benchmark Loan, the Term SOFR Rate; provided that if a ~~replacement of the Benchmark has occurred pursuant to Section 2.13~~ Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Daily Simple SOFR or Term SOFR Rate, as applicable, or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. ~~Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof pursuant to clause (b) of Section 2.13.~~

“Benchmark Replacement”: for any Available Tenor:

~~(1) for purposes of Section 2.13(b),~~ the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the Adjusted Daily Simple SOFR Rate; and

~~(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one-month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration, 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration and 0.71513% (71.513 basis points) for an Available Tenor of twelve-months’ duration; provided, that if any Available Tenor of the Eurodollar Base Rate does not correspond to an Available Tenor of Term SOFR, the Benchmark Replacement for such Available Tenor of the Eurodollar Base Rate shall be the closest corresponding Available Tenor (based on tenor) for Term SOFR, or and if such Available Tenor of the~~

~~Eurodollar Base Rate corresponds equally to two Available Tenors of Term SOFR, the corresponding tenor of Term SOFR with the shorter duration shall be applied;~~

~~(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of the Eurodollar Base Rate with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (b) of Section 2.13 (which spread adjustment, for the avoidance of doubt, shall be 0.11448% (11.448 basis points)); and~~

~~(2) for purposes of clause (c) of Section 2.13, the sum of:~~ (a) the alternate benchmark rate ~~and (b) an adjustment (which may be a positive or negative value or zero), in each case,~~ that has been selected by the Administrative Agent and the Borrower as the replacement for ~~such Available Tenor of such~~ the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment;

~~provided that, if~~ the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment”: with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body as of the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes”: with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement” and other technical,

administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark ~~Replacement~~ exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents); ~~the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement.~~

“Benchmark Replacement Date”: with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event”: with respect to any ~~then-current~~ Benchmark ~~other than the Eurodollar Base Rate~~, the occurrence of one or more of the following events: ~~a public statement or publication of information by or on behalf of the administrator of the~~ with respect to such then-current Benchmark;

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no

successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark; ~~announcing or stating that (a) such (or such component), in each case, which states that the~~ administrator of such Benchmark (or such component) has ceased or will cease ~~on a specified date~~ to provide all Available Tenors of such Benchmark; (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark ~~or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.~~(or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period”: with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 2.13 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.13

“Beneficial Owner”: as defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Sections 13(d) and 14(d) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms “Beneficially Owns” and “Beneficially Owned” have correlative meanings.

“Beneficial Ownership Certification”: a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation”: 31 C.F.R. § 1010.230.

“Benefit Plan”: any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Benefitted Lender”: as defined in Section 10.7(a).

“BHC Act Affiliate”: an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)).

“Borrower”: as defined in the preamble hereto.

“Borrowing Date”: any Business Day specified by the Borrower as a date on which the Borrower requests the Lenders to make Loans hereunder.

“Business Day”: a day (other than a Saturday, ~~or a Sunday~~ ~~or other day~~) on which ~~commercial~~ banks are open for business in New York City or ~~San Francisco, California are authorized or required by law to close, provided, that with respect to notices and determinations in connection with, and payments of principal and interest on, Eurodollar Loans, such day is also a day for trading by and between banks in Dollar deposits in the London interbank eurodollar market.~~ Chicago; provided that, in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings of such RFR Loan, any such day that is only an U.S. Government Securities Business Day.

“Capital Lease Obligations”: as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on the balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP, subject to Section 1.2(f).

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

“Cash Coverage Ratio”: for any period, the ratio of (a) Adjusted Borrower Cash as of the last day of such period plus Interest Charges for such period to (b) Fixed Charges for such period, in each case determined on a Trailing Four Quarter Basis.

“Cash Management Agreement”: any agreement to establish or maintain accounts or provide cash management services, including treasury, depository, overdraft, netting services, cash pooling arrangements, credit or debit card, purchasing card, electronic funds transfer, automated clearing house, foreign exchange facilities and other cash management arrangements.

“Change of Control”: the occurrence of one of the following:

- i. any person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder as of the Effective Date) shall become the Beneficial Owner of shares representing more than 35% of the voting power of the Capital Stock of the Borrower; or
- ii. at any point during any period of 24 consecutive months, commencing after the **Effective Date**, individuals who at the beginning of such 24-month period were directors of the Borrower, together with any directors whose election or nomination for election to the **board** of directors of the Borrower (whether by the **board** of directors of the Borrower or any shareholder of the Borrower) was approved by a majority of the directors who either were directors of the Borrower at the beginning of such 24-month period or whose election or nomination for election was so approved, cease to constitute a majority of the **board** of directors of the Borrower (it being understood and agreed that, for the avoidance of doubt, the change of directors of the Borrower contemplated by the Plan of Reorganization shall not constitute a Change of Control); or
- iii. there shall have been (A) [reserved] or (B) a transfer of the license and/or operating assets constituting more than 10% of the Net Tangible Assets of PG&E Utility to the State of California, to any other Governmental Authority or to a third party at the direction of State of California, the CPUC or any similar Governmental Authority.

“Change of Law”: the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, statute, treaty, policy, guideline or directive by any Governmental Authority, (b) any change in any law, rule, regulation, statute, treaty, policy, guideline or directive or in the application, interpretation, promulgation, implementation, administration or enforcement thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change of Law”, regardless of the date enacted, adopted or issued.

“CME Term SOFR Administrator”: CME Group Benchmark Administration Limited as administrator of the term Secured Overnight Financing Rate (SOFR) (or a successor administrator; provided that, in the event there are multiple successor

administrators, the successor administrator hereunder shall be selected by the Administrative Agent and the Borrower).

“Code”: the Internal Revenue Code of 1986, as amended from time to time.

“Collateral”: as defined in the Pledge Agreement.

“Collateral Agent”: as defined in the preamble hereto.

“Commitment”: as to any Lender, the obligation of such Lender, if any, to make Revolving Loans in an aggregate principal and/or face amount not to exceed (i) prior to the Amendment No. ~~12~~ Effective Date, the amount set forth under the heading “Commitment” opposite such Lender’s name on Schedule ~~1-1~~ of Amendment No. 1, (ii) as of the Amendment No. ~~12~~ Effective Date and thereafter, the amount set forth under the heading “Commitment” opposite such Lender’s name on Schedule I of Amendment No. ~~12~~ or (iii) in the Assignment and Assumption or New Lender Supplement pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. The original amount of the Total Commitments is \$500,000,000.

“Commitment Fee Rate”: for any day, the rate per annum determined pursuant to the grid set forth below, based upon the Ratings then in effect:

Level	Rating S&P/Moody’s/Fitch	Commitment Fee Rate
1	Higher than BB/Ba2/BB	0.35%
2	BB/Ba2/BB	0.50%
3	BB-/Ba3/BB-	0.60%
4	B+/B1/B+	0.65%
5	B/B2/B	0.70%
6	Lower than B/B2/B	0.75%

Subject to the provisions of this paragraph regarding split ratings, changes in the Commitment Fee Rate shall become effective on the date on which S&P, Moody’s and/or Fitch changes its relevant Rating. (a) If Ratings are issued by all three rating agencies and the respective Ratings issued by two or more of the rating agencies are in the same pricing level, that pricing level shall apply; (b) if Ratings are issued by all three rating agencies and none of the respective Ratings are in the same pricing level, the Commitment Fee Rate shall be determined based on the middle Rating; (c) if only two Ratings are issued and they differ by one level, then the Commitment Fee Rate for the higher of such Ratings shall apply; (d) if only two Ratings are issued and they differ by more than one level, then the Commitment Fee Rate that is one level lower than the Commitment Fee Rate of the higher Rating shall apply; (e) if only one Rating is issued, the Commitment Fee Rate shall be determined based on that Rating; and (f) if no such Ratings in clauses (a) through (e) of this sentence are issued for the Borrower, but are generally available for other companies, then the Commitment Fee Rate shall be that set forth above opposite pricing level 6.

“Commitment Increase Notice”: as defined in Section 2.3(a).

“Commitment Letter”: that certain RCF Commitment Letter dated as of May 26, 2020 among PG&E Corporation, as the borrower, Pacific Gas and Electric Company and the commitment parties from time to time party thereto, as amended, modified or supplemented from time to time prior to the Effective Date.

“Commitment Period”: the period from and including the Effective Date to the Termination Date.

“Commonly Controlled Entity”: an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under Section 414 of the Code.

“Communications”: as defined in Section 10.2(d)(ii).

“Compliance Certificate”: a certificate duly executed by a Responsible Officer substantially in the form of Exhibit C.

“Conduit Lender”: any special purpose corporation organized and administered by any Lender for the purpose of making Loans otherwise required to be made by such Lender and designated by such Lender in a written instrument; provided, that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to Sections 2.15, 2.16, 2.17 or 10.5 than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Commitment.

“Connection Income Taxes”: Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Capitalization”: on any date of determination, the sum of (a) Consolidated Total Debt on such date, plus without duplication, (b) (i) the amounts set forth opposite the captions “common shareholders’ equity” (or any similar caption) and “preferred stock” (or any similar caption) on the consolidated balance sheet, prepared in accordance with GAAP, of the Borrower and its Subsidiaries as of such date, and (ii) the outstanding principal amount of any junior subordinated deferrable interest debentures or other similar securities issued by the Borrower or any of its Subsidiaries after the Effective Date.

“Consolidated Capitalization Ratio”: on any date of determination, the ratio of (a) Consolidated Total Debt to (b) Consolidated Capitalization.

“Consolidated Total Debt”: at any date, the aggregate principal amount of all obligations of the Borrower and its Significant Subsidiaries at such date that in accordance with GAAP would be classified as debt on a consolidated balance sheet of the Borrower, and without duplication all Guarantee Obligations of the Borrower and its Significant Subsidiaries at such

date in respect of obligations of any other Person that in accordance with GAAP would be classified as debt on a consolidated balance sheet of such Person; provided that, the determination of “Consolidated Total Debt” shall exclude, without duplication, (a) the Securitized Bonds and any Indebtedness under any A/R Securitization Transaction, (b) Indebtedness of the Borrower and its Significant Subsidiaries in an amount equal to the amount of cash held as cash collateral for any fully cash collateralized letter of credit issued for the account of the Borrower or any Significant Subsidiary, (c) imputed Indebtedness of the Borrower or any Significant Subsidiary incurred in connection with power purchase and fuel agreements, (d) any junior subordinated deferrable interest debenture or other similar securities issued by the Borrower and (e) as of any date of determination, the amount of any securities included within the caption “preferred stock” (or any similar caption) on a consolidated balance sheet, prepared in accordance with GAAP, of the Borrower as of such date.

“Continuing Lender”: as defined in Section 2.7.

“Contractual Obligation”: as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control”: the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Corresponding Tenor”: with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Covered Entity”: any of the following:

- i. a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- ii. a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- iii. a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party”: as defined in Section 10.19.

“CPUC”: the California Public Utilities Commission or its successor.

“Credit Event”: as defined in Section 5.2.

“Daily Simple SOFR”: for any day, ~~(a “SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible~~

~~for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion. Rate Day~~”), a rate per annum equal to SOFR for the day (such day “SOFR Determination Date”) that is five (5) U.S. Government Securities Business Day prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

“Debtor Relief Laws”: the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default”: any of the events specified in Section 8, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Default Right”: the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender”: subject to the penultimate paragraph of Section 2.20, any Lender, as reasonably determined by the Administrative Agent, that has (a) failed to fund any portion of its Revolving Loans within two (2) Business Days of the date required to be funded by it under this Agreement, unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable Default, shall be specifically identified in such writing) has not been satisfied, (b) notified the Borrower, the Administrative Agent or any other Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement (other than a notice of a good faith dispute or related communications) or generally under other agreements in which it commits to extend credit, unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s good faith determination that a condition precedent to funding (which condition precedent, together with any applicable Default, shall be specifically identified in such writing or public statement) cannot be satisfied, (c) failed, within two (2) Business Days after written request by the Administrative Agent or the Borrower, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Loans, unless the subject of a good faith dispute (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent or the Borrower), (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it under this Agreement within two (2) Business Days of the date when due, unless the subject of a good faith dispute, or (e) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a custodian appointed for it, or has consented to, approved of or acquiesced in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy

or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has consented to, approved of or acquiesced in any such proceeding or appointment, or (iii) become the subject of a Bail-In Action; provided that (x) if a Lender would be a “Defaulting Lender” solely by reason of events relating to a parent company of such Lender or solely because a Governmental Authority has been appointed as receiver, conservator, trustee or custodian for such Lender, in each case as described in clause (e) above, the Administrative Agent may, in their discretion, determine that such Lender is not a “Defaulting Lender” if and for so long as the Administrative Agent is satisfied that such Lender will continue to perform its funding obligations hereunder and (y) a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of voting stock or any other Capital Stock in such Lender or a parent company thereof by a Governmental Authority or an instrumentality thereof, or the exercise of control over such Lender or parent company thereof, by a Governmental Authority or instrumentality thereof so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (e) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to the penultimate paragraph of Section 2.20) upon delivery of written notice of such determination to the Borrower and each Lender.

“Disposition”: with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition thereof. The term “Dispose of” shall have a correlative meaning.

“Documentation Agents”: as defined on the cover hereto.

“Dollars” and “\$”: dollars in lawful currency of the United States.

~~“Early Opt-in Effective Date”: with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.~~

~~“Early Opt-in Election”: the occurrence of the following:~~

~~(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review); and~~

~~(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from Eurodollar Base Rate and the provision by the Administrative Agent of written notice of such election to the Lenders.~~

“EEA Financial Institution”: (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country”: any of the member states of the European Union, Iceland, Liechtenstein and Norway.

“EEA Resolution Authority”: any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date”: the date on which the conditions precedent set forth in Section 5.1 shall have been satisfied or waived, which date is July 1, 2020.

“Eligible Assignee”: (a) any commercial bank or other financial institution having a senior unsecured debt rating by Moody’s of A3 or better and by S&P of A- or better, which is domiciled in a country which is a member of the OECD or (b) with respect to any Person referred to in the preceding clause (a), any other Person that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of business all of the Capital Stock of which is owned, directly or indirectly, by such Person; provided that in the case of clause (b), the Administrative Agent shall have consented to the designation of such Person as an Eligible Assignee (such consent not to be unreasonably withheld or delayed).

“Environmental Laws”: any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time hereafter be in effect.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Event”: (a) any Reportable Event; (b) the failure of the Borrower or any Commonly Controlled Entity to timely make a required contribution with respect to any Plan or any Multiemployer Plan; (c) the imposition of a Lien under Section 430 of the Code or Section 303 of ERISA with respect to any Single Employer Plan; (d) the failure of the Borrower or any Commonly Controlled Entity to meet the minimum funding standard under Section 412 or 430 of the Code with respect to any Plan or the filing of an application for a funding waiver with respect to any Single Employer Plan; (e) the incurrence by the Borrower or any Commonly Controlled Entity of any liability under Title IV of ERISA, including with respect to the termination of any

Plan (other than the payment of PBGC premiums in the ordinary course); (f) (i) the termination of, or the filing or receipt of a notice of intent to terminate, a Single Employer Plan under Section 4041 of ERISA, or the treatment of a plan amendment as a termination under Section 4041 of ERISA, or (ii) (A) the appointment of a trustee to administer a Single Employer Plan under Section 4042, or (B) the institution by the PBGC of proceedings to terminate a Single Employer Plan or to have a trustee appointed to administer a Single Employer Plan, or receipt by the Borrower of notice from the PBGC thereof, where such proceedings continue unstayed or in effect for more than 60 days, or such notice is not withdrawn by the PBGC within 60 days following delivery by PBGC; (g) the incurrence by the Borrower or any Commonly Controlled Entity of any liability with respect to the complete withdrawal or partial withdrawal under Title IV of ERISA from any Multiemployer Plan; (h) the receipt by the Borrower or any Commonly Controlled Entity of any notice from a Multiemployer Plan concerning the imposition of Withdrawal Liability; (i) receipt of notification by Borrower or any Commonly Controlled Entity from a Multiemployer Plan that such Multiemployer Plan is in endangered or critical status (within the meaning of Section 305 of ERISA) or in Insolvency; (j) the incurrence by the Borrower or any Commonly Controlled Entity of any liability pursuant to Section 4063 or 4064 of ERISA or a substantial cessation of operations with respect to a Plan within the meaning of Section 4062(e) of ERISA; (k) the posting of a bond or security under Section 436(f) of the Code with respect to any Plan; or (l) the Borrower incurs material tax liability with respect to any Plan (including Sections 4975, 4980B, 4980D, 4980H and 4980I of the Code, as applicable).

“Erroneous Payment”: as defined in Section 9.16(a).

“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Eurocurrency Liabilities”: as defined in Regulation D of the Federal Reserve Board.

“Eurocurrency Reserve Requirements”: ~~of any Lender for any Interest Period as applied to a Eurodollar Loan, the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during any such percentage shall be so applicable) under any regulations of the Federal Reserve Board or other Governmental Authority having jurisdiction with respect to determining the maximum reserve requirement (including basic, supplemental and emergency reserves) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.~~

“Eurodollar Base Rate”: ~~with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the Eurodollar Screen Rate at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period; provided that if the Eurodollar Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) then the Eurodollar Base Rate shall be the Interpolated Rate.~~

“Eurodollar Loans”: ~~Loans the rate of interest applicable to which is based upon the Eurodollar Rate.~~

~~“Eurodollar Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upwards, if necessary, to the next 1/16 of 1%):~~

Eurodollar Base Rate

~~1.00 – Eurocurrency Reserve Requirements~~

~~“Eurodollar Screen Rate”: for any day and time, with respect to any Eurodollar Loan for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the Eurodollar Screen Rate as so determined would be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.~~

~~“Eurodollar Tranche”: the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).~~

“Event of Default”: any of the events specified in Section 8, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Exchange Act”: Securities Exchange Act of 1934, as amended.

“Excluded Taxes”: any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.19) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.16(a) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.16(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Extension Notice”: as defined in Section 2.7(b).

“FATCA”: Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

“FCA”: as defined in Section 2.13(b).

“FCPA”: as defined in Section 4.15.

“Federal Funds Effective Rate”: for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Federal Reserve Board”: the Board of Governors of the Federal Reserve System of the United States of America.

“Fee Payment Date”: (a) the fifth Business Day following the last day of each March, June, September and December during the Commitment Period and (b) the last day of the Commitment Period.

“Fitch”: Fitch Ratings, Inc. and any successor thereto.

“Floor”: the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to ~~Eurodollar Base Rate~~the Adjusted Term SOFR Rate. For the avoidance of doubt, the initial Floor for each of the Adjusted Term SOFR Rate and the Adjusted Daily Simple SOFR Rate shall be 0.0%.

“Fixed Charges”: for any period, the sum of (a) Interest Charges for such period, and (b) any cash dividends or other distributions paid in cash on any series of Capital Stock of the Borrower during such period (including, for the avoidance of doubt, any such cash dividends or distributions to be paid in cash in reliance upon the calculation of the Cash Coverage Ratio).

“Foreign Lender”: a Lender that is not a U.S. Person.

“FPA”: the Federal Power Act, as amended, and the rules and regulations promulgated thereunder.

“Funding Office”: the office of the Administrative Agent specified in Section 10.2(a) or such other office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Borrower and the Lenders.

“GAAP”: generally accepted accounting principles in the United States as in effect from time to time, except as noted below. In the event that any “Change in Accounting Principles” (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then, upon the request of the Borrower or the Required Lenders, the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Change in Accounting Principles with the desired result that the criteria for evaluating the Borrower’s financial condition shall be the same after such Change in Accounting Principles as if such Change in Accounting Principles had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Change in Accounting Principles had not occurred. “Change in Accounting Principles” refers to (i) changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or any successor thereto, the SEC or, if applicable, the Public Company Accounting Oversight Board and (ii) any change in the application of GAAP concurred by the Borrower’s independent public accountants and disclosed in writing to the Administrative Agent.

“Governmental Authority”: any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization (including the National Association of Insurance Commissioners and supra-national bodies such as the European Union or the European Central Bank).

“Guarantee Obligation”: as to any Person (the “guaranteeing person”), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing person that guarantees any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof or (v) to reimburse or indemnify an issuer of a letter of credit, surety bond or guarantee issued by such issuer in respect of primary obligations of a primary obligor other than the Borrower or any Significant Subsidiary; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of

such Guarantee Obligation shall be such guaranteeing person's reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

“IBA”: as defined in Section 2.13(b).

“Indebtedness”: of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables, including under energy procurement and transportation contracts, incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements (other than reimbursement obligations, which are not due and payable on such date, in respect of documentary letters of credit issued to provide for the payment of goods and services in the ordinary course of business), (g) the liquidation value of all mandatorily redeemable preferred Capital Stock of such Person, (h) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (g) above, (i) all obligations of the kind referred to in clauses (a) through (h) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation (provided, that if such Person is not liable for such obligation, the amount of such Person's Indebtedness with respect thereto shall be deemed to be the lesser of the stated amount of such obligation and the value of the property subject to such Lien), and (j) for the purposes of Sections 7.1 and 8(e) only, all obligations of such Person in respect of Swap Agreements, provided that Indebtedness as used in this Agreement shall exclude any Non-Recourse Debt and any obligations under any A/R Securitization Transaction. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

“Indemnified Liabilities”: as defined in Section 10.5.

“Indemnified Taxes”: (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

“Indemnatee”: as defined in Section 10.5.

“Insolvency”: with respect to any Multiemployer Plan, the condition that such plan is insolvent within the meaning of Section 4245 of ERISA.

“Interest Charges”: for any period, (a) all interest, premium payments, debt discount, fees, charges and related expenses of the Borrower in connection with borrowed money

(including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, and (b) the portion of rent expense of the Borrower with respect to such period under capital leases that is treated as interest in accordance with GAAP.

“Interest Payment Date”: (a) as to any ABR Loan, the last day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan, (b) ~~as to any Eurodollar~~ with respect to any RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month), (c) as to any Term Benchmark Loan having an ~~Interest Period~~ interest period of three months or less, the last day of such Interest Period, (~~ed~~) as to any ~~Eurodollar~~ Term Benchmark Loan having an Interest Period ~~longer of more~~ than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and ~~the last day of such Interest Period and~~ (~~de~~) as to any Loan, the date of any repayment or prepayment made in respect thereof.

“Interest Period”: as to any ~~Eurodollar~~ Term Benchmark Loan, (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such ~~Eurodollar~~ Term Benchmark Loan and ending one ~~week thereafter or one~~, three or six ~~or (if agreed to by all Lenders) twelve~~ months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such ~~Eurodollar~~ Term Benchmark Loan and ending one ~~week thereafter or one~~, three or six ~~or (if agreed to by all Lenders) twelve~~ months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not later than 12:00 Noon, New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

- i. if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;
 - ii. the Borrower may not select an Interest Period that would extend beyond the Termination Date;
 - iii. any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;
 - iv. [reserved]; and
 - v. at the election of the Borrower, the initial Interest Period for any ~~Eurodollar~~ Term Benchmark Loans made on the Effective Date, shall commence on the Effective Date and end on the last day of the calendar month during which the Effective Date occurs; ~~and~~.
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~~(vi) the option to elect a one week Interest Period shall only be available during the calendar year ending December 31, 2021 and solely to the extent such Interest Period is available to the Administrative Agent.~~

~~“Interpolated Rate”: at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the Eurodollar Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Eurodollar Screen Rate for the longest period (for which the Eurodollar Screen Rate is available) that is shorter than the Impacted Interest Period; and (b) the Eurodollar Screen Rate for the shortest period (for which that Eurodollar Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.~~

“Investment”: as defined in Section 7.5.

“IRS”: the United States Internal Revenue Service.

“knowledge of the Borrower”: actual knowledge of any Responsible Officer of the Borrower.

“Laws”: collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lenders”: as defined in the preamble hereto, including each Lender set forth under the heading “Lender” on Schedule I of Amendment No. 12 and their respective successors and assigns as permitted hereunder; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

~~“LIBOR”: as defined in Section 1.4.~~

“Lien”: any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any Capital Lease Obligation having substantially the same economic effect as any of the foregoing).

“Loan”: any loan made by any Lender pursuant to this Agreement.

“Loan Documents”: this Agreement, the Security Documents, any intercreditor agreement entered into in connection herewith, the Notes and, in each case, any amendment, waiver, supplement or other modification to any of the foregoing.

“Material Adverse Effect”: (a) a change in the business, property, operations or financial condition of the Borrower and its Subsidiaries taken as a whole that could reasonably be expected to materially and adversely affect the Borrower’s ability to perform its obligations under the Loan Documents or (b) a material adverse effect on (i) the validity or enforceability of this Agreement or any of the other Loan Documents or (ii) the rights and remedies of the Administrative Agent, the Collateral Agent and the Lenders, taken as a whole, under this Agreement or any other Loan Document.

“Materials of Environmental Concern”: any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

“Moody’s”: Moody’s Investors Service, Inc.

“Mult employer Plan”: a plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Tangible Assets”: the total amount of PG&E Utility’s assets determined on a consolidated basis in accordance with GAAP as of the last day of the most recently ended fiscal quarter for which financial statements have been delivered under Section 6.1, less (a) the sum of PG&E Utility’s consolidated current liabilities determined in accordance with GAAP, and (b) the amount of PG&E Utility’s consolidated assets classified as intangible assets, determined in accordance with GAAP.

“New Lender Supplement”: as defined in Section 2.3(b).

“New Revolving Credit Lender”: as defined in Section 2.3(b).

“Non-Extending Lender”: as defined in Section 2.7.

“Non-Recourse Debt”: Indebtedness of the Borrower or any of its Significant Subsidiaries that is incurred in connection with the acquisition, construction, sale, transfer or other Disposition of specific assets, to the extent recourse, whether contractual or as a matter of law, for non-payment of such Indebtedness is limited (a) to such assets, or (b) if such assets are (or are to be) held by a Subsidiary formed solely for such purpose, to such Subsidiary or the Capital Stock of such Subsidiary.

“Notes”: as defined in Section 2.14(f).

“NYFRB”: the Federal Reserve Bank of New York.

“NYFRB Rate”: for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. (New York City time) on such day received by the Administrative Agent from a federal funds broker of recognized standing

selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“NYFRB’s Website”: the website of the NYFRB at ~~http://www.newyorkfed.org~~<http://www.newyorkfed.org>, or any successor source.

“Obligations”: the unpaid principal of and interest on (including, without limitation, interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of the Borrower to the Administrative Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including, without limitation, all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“OECD”: the countries constituting the “Contracting Parties” to the Convention on the Organisation For Economic Co-operation and Development, as such term is defined in Article 4 of such Convention.

“Other Connection Taxes”: with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes”: all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“Overnight Bank Funding Rate”: for any day, the rate comprised of ~~both~~ overnight federal funds ~~and overnight Eurodollar borrowings~~ by U.S.-managed banking offices of depository institutions, as such ~~composite~~ rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Participant”: as defined in Section 10.6(c).

“Participant Register”: as defined in Section 10.6(c)(iii).

“Patriot Act”: as defined in Section 10.16.

“Payment Recipient”: as defined in Section 9.16(a).

“PBGC”: the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

“Percentage”: as to any Lender at any time, the percentage which such Lender’s Commitment then constitutes of the Total Commitments or, at any time after the Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Lender’s Revolving Loans then outstanding constitutes of the aggregate principal amount of the Revolving Loans then outstanding.

“Permitted Cash Equivalents”:

(a) securities issued by the United States government or any agency or instrumentality of the United States government having maturities of not more than two (2) years from the date of acquisition;

(b) certificates of deposit, time deposits, ~~and~~ money market ~~deposits and Eurodollar time~~ deposits with maturities of two (2) years or less from the date of acquisition, bankers’ acceptances with maturities of two (2) years or less and overnight bank deposits, in each case with any domestic commercial bank having capital and surplus in excess of \$500 million;

(c) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clauses (a), (b) and (e) entered into with any financial institution meeting the qualifications specified in clause (b) above;

(d) commercial paper rated at least P-1 by Moody’s or at least A-1 by S&P and, in each case, maturing within twelve months after the date of acquisition;

(e) securities issued or fully guaranteed by any state or commonwealth of the United States or by any political subdivision or taxing authority thereof, and rated at least Baa3 by Moody’s or BBB- by S&P and, in each case, maturing within two (2) years after the date of acquisition;

(f) mutual funds whose investment guidelines restrict 90% of such funds’ investments to those satisfying the provisions of clauses (a) through (e) above;

(g) money market funds that (i) comply with the criteria set forth in Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P and Aaa by Moody’s and (iii) have portfolio assets of least \$5,000,000,000; and

(h) time deposit accounts, certificates of deposit and money market deposits in an aggregate face amount not in excess of 1/2 of 1% of the total assets of the Borrower and its Subsidiaries, on a consolidated basis, as of the end of the Borrower’s most recently completed fiscal year.

“Permitted Refinancing”: with respect to any Indebtedness (the “Refinanced Indebtedness”), any extension, refinancing, refunding or replacement thereof with Indebtedness provided that (i) the amount of such Indebtedness does not exceed the aggregate principal amount of the Refinanced Indebtedness, plus any premium, interest, fee or expenses payable in connection therewith, (ii) the final maturity date of such Indebtedness is no earlier than the maturity date of the Refinanced Indebtedness, (iii) the weighted average life to maturity of such Indebtedness is not shorter than the weighted average life to maturity of the Refinanced Indebtedness, (iv) if the Refinanced Indebtedness was unsecured, then such Indebtedness must be unsecured and (v) if the Refinanced Indebtedness was secured, then such Indebtedness shall not be secured by assets that did not secure the Refinanced Indebtedness and, if the Refinanced Indebtedness was secured by Collateral, such Indebtedness shall not have a ranking higher in the Priority Waterfall than the Refinanced Indebtedness had.

“Person”: an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“PG&E Utility”: as defined in the first recital paragraph.

“PG&E Utility Revolving Credit Agreement”: that certain Credit Agreement dated as of the Effective Date, among PG&E Utility, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

“Plan”: at a particular time, any employee benefit plan that is covered by ERISA and in respect of which the Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan of Reorganization”: as defined in the second recital paragraph.

“Platform”: as defined in Section 10.2(d).

“Pledge Agreement”: as defined in Section 5.1(d).

“Prime Rate”: the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or in any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Priority Waterfall”: the provisions of Section 3.02(a) of the Pledge Agreement.

“PTE”: a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“QFC”: the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” in Section 10.19.

“Qualified Securitization Bond Issuer”: a Subsidiary of PG&E Utility formed and operating solely for the purpose of (a) purchasing and owning property created under a “financing order” (as such term is defined in the California Public Utilities Code) or similar order issued by the CPUC, (b) issuing such securities pursuant to such order, (c) pledging its interests in such property to secure such securities and (d) engaging in activities ancillary to those described in (a), (b) and (c).

“Rating”: each rating announced by S&P, Moody’s and Fitch in respect of the Borrower’s senior secured debt.

“Recipient”: the Administrative Agent or any Lender.

“Reference Time”: with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting, (2) if such Benchmark is Daily Simple SOFR, then four U.S. Government Securities Business Days prior to such setting or (3) if such Benchmark is none of the Term SOFR Rate or Daily Simple SOFR, the time determined by the Administrative Agent in its reasonable discretion.

“Register”: as defined in Section 10.6(b).

“Regulation U”: Regulation U of the Federal Reserve Board as in effect from time to time.

“Related Parties”: with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Relevant Governmental Body”: the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“Relevant Rate”: (i) with respect to any Term Benchmark Loan, the Adjusted Term SOFR Rate or (ii) with respect to any RFR Loan, the Adjusted Daily Simple SOFR Rate, as applicable.

“Removal Effective Date”: as defined in Section 9.9(b).

“Reportable Event”: any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty-day notice period is waived under subsections .27, .28, .29, .30, .31, .32, .34 or .35 of PBGC Reg. § 4043.

“Required Lenders”: at any time, the holders of more than 50% of the Total Commitments then in effect or, if the Commitments have been terminated, the aggregate amount of Revolving Loans then outstanding. The Total Commitments of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

“Requirement of Law”: as to any Person, the Articles of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resignation Effective Date”: as defined in Section 9.9(a).

“Resolution Authority”: with respect to any EEA Financial Institution, an EEA Resolution Authority and, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer”: the chief executive officer, president, chief financial officer, treasurer or assistant treasurer of the Borrower, but in any event, with respect to financial matters, the chief financial officer, treasurer or assistant treasurer of the Borrower.

“Revolving Credit Offered Increase Amount”: as defined in Section 2.3(a).

“Revolving Credit Re-Allocation Date”: as defined in Section 2.3(d).

“Revolving Loans”: as defined in Section 2.1(a).

“RFR Loan”: a Loan that bears interest at a rate based on the Adjusted Daily Simple SOFR Rate.

“S&P”: Standard & Poor’s Global Ratings, a division of S&P Global Inc., and any successor thereto.

“Sanctions”: as defined in Section 4.15.

“SEC”: the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

9.2. “Secured Parties”: the Administrative Agent, the Collateral Agent, the Lenders and each sub-agent appointed pursuant to Section

“Securitized Bonds”: without duplication, securities, however denominated, that are (i) issued by a Qualified Securitization Bond Issuer, (ii) secured by or otherwise payable from charges authorized by the financing order referred to in clause (a) of the definition of “Qualified Securitization Bond Issuer,” and (iii) non-recourse to the Borrower or any of its Subsidiaries (other than the issuer of such securities).

“Security Documents”: the Pledge Agreement and any other agreement or document executed and delivered by the Borrower that grants or purports to grant a Lien on any assets of the Borrower in favor of the Collateral Agent to secure the Obligations.

“Significant Subsidiary”: as defined in Article 1, Rule 1-02(w) of Regulation S-X of the Exchange Act as of the Effective Date, provided that notwithstanding the foregoing, (x) PG&E Utility shall at all times constitute a Significant Subsidiary and (y) no special purpose finance subsidiary, no A/R Securitization Subsidiary and no Qualified Securitization Bond Issuer (nor any Subsidiaries of any Qualified Securitization Bond Issuer or of any A/R Securitization Subsidiary) shall constitute a Significant Subsidiary. Unless otherwise qualified, all references to a “Significant Subsidiary” or to “Significant Subsidiaries” in this Agreement shall refer to a “Significant Subsidiary” or “Significant Subsidiaries” of the Borrower.

“Single Employer Plan”: any Plan that is covered by Title IV of ERISA, but that is not a Multiemployer Plan.

“SOFR”: a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator”: the NYFRB (or a successor administrator of the secured overnight financing rate).

~~“SOFR”~~: ~~a rate per annum equal to the secured overnight financing rate for such Business Day published by the NYFRB (or a successor administrator of the secured overnight financing rate) on the NYFRB’s Website (~~Administrator’s Website”: the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the ~~administrator of the secured overnight financing rate~~SOFR Administrator from time to time).

“SOFR Determination Date”: has the meaning specified in the definition of “Daily Simple SOFR”.

“SOFR Rate Day”: has the meaning specified in the definition of “Daily Simple SOFR”.

“Solvent”: with respect to the Borrower and its Subsidiaries, on a consolidated basis, that as of the date of determination, (i) the fair value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, at a fair valuation on a going concern basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise, (ii) the present fair saleable value of the property of the Borrower and its Subsidiaries, on a consolidated and going concern basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured in the ordinary course of business, (iii) the Borrower and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured in the ordinary course of business, (iv) the Borrower and its Subsidiaries are not engaged in businesses, and are not about to engage in businesses for which they have unreasonably small capital. For purposes of this definition, the amount of any contingent liability

at any time shall be computed as the amount that, in light of all the facts and circumstances existing as of the Effective Date, would reasonably be expected to become an actual and matured liability.

“Specified Exchange Act Filings”: the Borrower’s Form 10-K annual report for the year ended December 31, 2020 and each and all of the Form 10-Qs and Form 8-Ks (and to the extent applicable proxy statements) filed by the Borrower or PG&E Utility with the SEC after December 31, 2020 and prior to the date that is one Business Day before the Amendment No. ~~12~~ Effective Date.

“Specified Material Adverse Effect”: any occurrence, fact, change, event, effect, violation, penalty, inaccuracy or circumstance that, individually or in the aggregate with any such other results, occurrences, facts, changes, events, effects, violations, penalties, inaccuracies, or circumstances, (i) would have or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, capitalization, financial performance, financial condition or results of operations, in each case, of PG&E Utility and the Borrower, taken as a whole, or (ii) would reasonably be expected to prevent or materially delay the ability of the Borrower to consummate the transactions contemplated by this Agreement or perform its obligations hereunder; provided, however, that none of the following results, occurrences, facts, changes, events, effects, violations, penalties, inaccuracies or circumstances shall constitute or be taken into account in determining whether a Specified Material Adverse Effect has occurred, is continuing or would reasonably be expected to occur: (A) [reserved], (B) results, occurrences, facts, changes, events, violations, inaccuracies or circumstances affecting (1) the electric or gas utility businesses in the United States generally or (2) the economy, credit, financial, capital or commodity markets, in the United States or elsewhere in the world, including changes in interest rates, monetary policy or inflation, (C) changes or prospective changes in law (other than any law or regulation of California or the United States that is applicable to any electrical utility) or in GAAP or accounting standards, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing, (D) any decline in the market price, or change in trading volume, of any securities of the PG&E Utility, (E) any failure to meet any internal or public projections, forecasts, guidance, estimates, milestones, credit ratings, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position, (F) [reserved], and (G) one or more wildfires, occurring on or after January 1, 2020, that destroys or damages fewer than 500 dwellings or commercial structures in the aggregate (it being understood that (I) the exceptions in clauses (D) and (E) shall not prevent or otherwise affect a determination that the underlying cause of any such change, decline or failure referred to therein is a Specified Material Adverse Effect, and (II) a Specified Material Adverse Effect shall include the occurrence of one or more wildfires on or after January 1, 2020 destroying or damaging at least 500 dwellings or commercial structures within the Borrower’s service area at a time when the portion of the Borrower’s system at the location of such wildfire was not successfully de-energized).

“Standard A/R Securitization Obligations”: representations, warranties, covenants, indemnities, repurchase obligations, servicing obligations, guarantees, intercompany notes and obligations relating to contributions of A/R Securitization Assets to an A/R Securitization Subsidiary and other obligations entered into by any Subsidiary of the Borrower which are reasonably customary in A/R Securitization Transactions.

“Subsidiary”: as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Supported QFC”: as defined in Section 10.19.

“Swap Agreement”: any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that (x) no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any of its Subsidiaries shall be a “Swap Agreement” and (y) no stock purchase contract issued by the Borrower shall be a “Swap Agreement”.

“Syndication Agents”: as defined on the cover hereto.

“Taxes”: all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Benchmark”: when used in reference to any Loan, refers to whether such Loan is bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

“Term Benchmark Tranche”: the collective reference to Term Benchmark Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall have originally been made on the same day).

~~“Term SOFR”: for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.~~ Determination Day”: has the meaning assigned to it under the definition of Term SOFR Rate.

“Term SOFR Rate”: with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period (such day, the “Term SOFR Determination Day”), as such rate is published by the CME Term SOFR Administrator.

“Term SOFR Reference Rate”: for any day and time, with respect to any Term Benchmark Loan denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on the Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“Termination Date”: ~~the date that is the third anniversary of the Amendment No. 1 Effective Date~~ June 22, 2025 or such later date as may be determined pursuant to Section 2.7(b) or such earlier date as otherwise determined pursuant to Section 2.7.

“Testing Condition”: satisfied if any Revolving Loans are outstanding.

“Total Commitments”: at any time, the aggregate amount of the Commitments of all Lenders at such time.

“Trailing Four Quarter Basis”: determined for the trailing four fiscal quarters ending on the last day of any fiscal quarter; provided that, if fewer than four full consecutive fiscal quarters of the Borrower have been completed since the Effective Date, “Trailing Four Quarter Basis” shall mean, determined for the full fiscal quarters of the Borrower that have been completed since the Effective Date with Interest Charges and Fixed Charges annualized on a simple straight line basis.

“Transferee”: any Assignee or Participant.

“Type”: as to any Loan, its nature as an ABR Loan or a ~~Eurodollar~~ Term Benchmark Loan.

“UK Financial Institution”: any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority)) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority”: the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement”: the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“United States” or “U.S.”: the United States of America.

“U.S. Government Securities Business Day”: any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person”: any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regime”: as defined in Section 10.19.

“U.S. Tax Compliance Certificate”: as defined in Section 2.16(e)(ii)(B)(III).

“Withdrawal Liability”: any liability to a Multiemployer Plan as a result of a complete or partial withdrawal by the Borrower or any Commonly Controlled Entity from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

“Write-Down and Conversion Powers”: (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the applicable Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to any UK Resolution Authority, any powers of such UK Resolution Authority under the applicable Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Definitional Provisions and Interpretative Provisions.

- a. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.
 - b. As used herein and, except as otherwise provided therein, in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i)(i) accounting terms relating to the Borrower and its Significant Subsidiaries defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii)(ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (iii)(iii) the word “incur” shall be construed to mean incur, create, issue, assume or become liable in respect of (and the words “incurred” and “incurrence” shall have correlative meanings), (iv)(iv) the words “asset” and “property” shall be construed to
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have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, and (v)(v) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time.

- c. The words “hereof”, “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.
- d. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.
- e. The Borrower shall not be required to perform, nor shall it be required to guarantee the performance of, any of the affirmative covenants set forth in Section 6 that apply to any of its Significant Subsidiaries nor shall any of the Borrower’s Significant Subsidiaries be required to perform, nor shall any of such Significant Subsidiaries be required to guarantee the performance of, any of the Borrower’s affirmative covenants set forth in Section 6 or any of the affirmative covenants set forth in Section 6 that apply to any other Significant Subsidiary; provided, that nothing in this Section 1.2(e) shall prevent the occurrence of a Default or an Event of Default arising out of the Borrower’s failure to cause any Significant Subsidiary to comply with the provisions of this Agreement applicable to such Significant Subsidiary.
- f. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any change in accounting for leases pursuant to GAAP resulting from the implementation of Financial Accounting Standards Board ASU No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2015.

1.3 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have

been organized and acquired on the first date of its existence by the holders of its Capital Stock at such time.

1.4 Interest Rates; **LIBOR Benchmark** Notification. The interest rate on ~~Eurodollar Loans is determined by reference to the Eurodollar Base Rate, which is derived from the London interbank offered rate (“LIBOR”). LIBOR is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, the FCA publicly announced that: (a) immediately after December 31, 2021, publication of all seven euro LIBOR settings, all seven Swiss Franc LIBOR settings, the spot next, 1-week, 2-month and 12-month Japanese Yen LIBOR settings, the overnight, 1-week, 2-month and 12-month British Pound Sterling LIBOR settings, and the 1-week and 2-month U.S. Dollar LIBOR settings will permanently cease; immediately after June 30, 2023, publication of the overnight and 12-month U.S. Dollar LIBOR settings will permanently cease; immediately after December 31, 2021, the 1-month, 3-month and 6-month Japanese Yen LIBOR settings and the 1-month, 3-month and 6-month British Pound Sterling LIBOR settings will cease to be provided or, subject to consultation by the FCA, be provided on a changed methodology (or “synthetic”) basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored; and immediately after June 30, 2023, the 1-month, 3-month and 6-month U.S. Dollar LIBOR settings will cease to be provided or, subject to the FCA’s consideration of the case, be provided on a synthetic basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored. There is no assurance that dates announced by the FCA will not change or that the administrator of LIBOR and/or regulators will not take further action that could impact the availability, composition, or characteristics of LIBOR or the currencies and/or tenors for which LIBOR is published. Each party to this agreement should consult its own advisors to stay informed of any such developments. Public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR.~~ a Loan denominated in Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event ~~or an Early Opt-In Election~~, Section ~~2.13(b) and 2.13(c)~~ 2.13(b) ~~provide the~~ provides a mechanism for determining an alternative rate of interest. The ~~Administrative Agent will promptly notify the Borrower, pursuant to Section 2.13(c), of any change to the reference rate upon which the interest rate on Eurodollar Loans is based. However, the~~ Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to; ~~(a) the administration, submission,~~ performance or any other matter related to ~~LIBOR or other rates in the definition of “Eurodollar Base Rate”~~ any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof ~~(including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.13(b) or (c), whether upon the occurrence of a Benchmark Transition Event or an Early Opt-In Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.13(d)),~~ including without limitation, whether the composition or characteristics of any such alternative, successor

or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the ~~Eurodollar-Base Rate~~existing interest rate being replaced or have the same volume or liquidity as did ~~the London interbank offered~~any existing interest rate prior to its discontinuance or unavailability; ~~or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.~~

SECTION 2. AMOUNT AND TERMS OF COMMITMENTS

2.1 Commitments.

- a. Subject to the terms and conditions hereof, each Lender severally agrees to make revolving credit loans in Dollars (“Revolving Loans”) to the Borrower from time to time on or after the Effective Date and during the Commitment Period in an aggregate principal amount at any one time outstanding which does not exceed the amount of such Lender’s Commitment; provided that, after giving effect to the Revolving Loans requested to be made, the aggregate amount of the Available Commitments shall not be less than zero. During the Commitment Period, the Borrower may use the Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. The Revolving Loans may from time to time be ~~Eurodollar~~Term Benchmark Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.2 and 2.9.
- b. The Borrower shall repay all outstanding Revolving Loans on the Termination Date.

2.2 Procedure for Revolving Loan Borrowing. The Borrower may borrow under the Commitments during the Commitment Period on any Business Day, provided that the Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent (a)(a) prior to 12:00 Noon, New York City time, three Business Days prior to the requested Borrowing Date, in the case of ~~Eurodollar~~Term Benchmark Loans, or (b)(b) prior to 1:00 P.M., New York City time, on the requested Borrowing Date, in the case of ABR Loans) specifying (i)(i) the amount

and Type of Revolving Loans to be borrowed, (ii)(ii) the requested Borrowing Date and (iii)(iii) in the case of ~~Eurodollar~~ Term Benchmark Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Period therefor. Each borrowing under the Commitments shall be in an amount equal to \$1,000,000 or a whole multiple of \$500,000 in excess thereof (or, if the then aggregate Available Commitments are less than \$1,000,000, such lesser amount). Upon receipt of any such notice from the Borrower, the Administrative Agent shall promptly notify each Lender thereof. Each Lender will make the amount of its *pro rata* share of each borrowing available to the Administrative Agent for the account of the Borrower at the Funding Office prior to 3:00 P.M., New York City time, on the Borrowing Date requested by the Borrower in funds immediately available to the Administrative Agent. Such borrowing will then be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

2.3 Commitment Increases.

- a. In the event that the Borrower wishes to increase the Total Commitments at any time when no Default or Event of Default has occurred and is continuing (or shall result of such increase), it shall notify the Administrative Agent in writing, given not more frequently than once per calendar year, of the amount (the “Revolving Credit Offered Increase Amount”) of such proposed increase (such notice, a “Commitment Increase Notice”) which shall be in a minimum amount equal to \$10,000,000 and shall not exceed, in the aggregate for all increases, \$150,000,000. The Borrower shall offer each of the Lenders the opportunity to provide such Lender’s Percentage of the Revolving Credit Offered Increase Amount, and if any Lender declines such offer, in whole or in part, the Borrower may offer such declined amount to (i) other Lenders and/or (ii) other banks, financial institutions or other entities with the consent of the Administrative Agent (which consent of the Administrative Agent shall not be unreasonably withheld, conditioned or delayed). The Commitment Increase Notice shall specify the Lenders and/or banks, financial institutions or other entities that will be requested to provide such Revolving Credit Offered Increase Amount. The Borrower or, if requested by the Borrower, the Administrative Agent will notify such Lenders, and/or banks, financial institutions or other entities of such offer.
 - b. Any additional bank, financial institution or other entity which the Borrower selects to offer a portion of the increased Total Commitments and which elects to become a party to this Agreement and obtain a Commitment in an amount so offered and accepted by it pursuant to Section 2.3(a) shall execute a new lender supplement (the “New Lender Supplement”) with the Borrower and the Administrative Agent, substantially in the form of Exhibit A, whereupon such bank, financial institution or other entity (herein called a “New Revolving Credit Lender”)
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shall become a Lender for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement, provided that the Commitment of any such New Revolving Credit Lender shall be in an amount not less than \$5,000,000.

- c. Any Lender which accepts an offer to it by the Borrower to increase its Commitment pursuant to Section 2.3(a) shall, in each case, execute a commitment increase supplement with the Borrower and the Administrative Agent, substantially in the form of Exhibit B, whereupon such Lender shall be bound by and entitled to the benefits of this Agreement with respect to the full amount of its Commitment as so increased.
 - d. If any bank, financial institution or other entity becomes a New Revolving Credit Lender pursuant to Section 2.3(b) or any Lender's Commitment is increased pursuant to Section 2.3(c), additional Revolving Loans made on or after the effectiveness thereof (the "Revolving Credit Re-Allocation Date") shall be made *pro rata* based on the Percentages in effect on and after such Revolving Credit Re-Allocation Date (except to the extent that any such *pro rata* borrowings would result in any Lender making an aggregate principal amount of Revolving Loans in excess of its Commitment, in which case such excess amount will be allocated to, and made by, such New Revolving Credit Lenders and/or Lenders with such increased Commitments to the extent of, and *pro rata* based on, their respective Commitments otherwise available for Revolving Loans), and continuations of ~~Eurodollar~~Term Benchmark Loans outstanding on such Revolving Credit Re-Allocation Date shall be effected by repayment of such ~~Eurodollar~~Term Benchmark Loans on the last day of the Interest Period applicable thereto and the making of new ~~Eurodollar~~Term Benchmark Loans *pro rata* based on such new Percentages. In the event that on any such Revolving Credit Re-Allocation Date there is an unpaid principal amount of ABR Loans, the Borrower shall make prepayments thereof and borrowings of ABR Loans so that, after giving effect thereto, the ABR Loans outstanding are held *pro rata* based on such new Percentages. In the event that on any such Revolving Credit Re-Allocation Date there is an unpaid principal amount of ~~Eurodollar~~Term Benchmark Loans, such ~~Eurodollar~~Term Benchmark Loans shall remain outstanding with the respective holders thereof until the expiration of their respective Interest Periods (unless the Borrower elects to prepay any thereof in accordance with the applicable provisions of this Agreement), and interest on and repayments of such ~~Eurodollar~~Term Benchmark Loans will be paid thereon to the respective Lenders holding such ~~Eurodollar~~Term Benchmark Loans *pro rata* based on the respective principal amounts thereof outstanding.
 - e. Notwithstanding anything to the contrary in this Section 2.3, (i)(i) no Lender shall have any obligation to increase its Commitment unless it agrees to do so in its sole discretion and unless the Administrative Agent
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consents to such increase (which consent of the Administrative Agent shall not be unreasonably withheld, conditioned or delayed); provided, that any Lender not responding to the Commitment Increase Notice within the time period prescribed therein shall be deemed to have declined to increase its Commitment and (ii)(ii) in no event shall any transaction effected pursuant to this Section 2.3 (A) cause the Total Commitments to exceed \$650,000,000 or (B) occur at a time at which a Default or an Event of Default has occurred and is continuing.

- f. The Administrative Agent shall have received on or prior to the Revolving Credit Re-Allocation Date, for the benefit of the Lenders, (i)(i) a legal opinion of counsel to the Borrower covering such matters as are customary for transactions of this type as may be reasonably requested by the Administrative Agent, which opinions shall be substantially the same, to the extent appropriate, as the opinions rendered by counsel to the Borrower on the Effective Date and (ii)(ii) certified copies of resolutions of the board of directors of the Borrower authorizing the Borrower to borrow the Revolving Credit Offered Increase Amount.

2.4 [Reserved].

2.5 [Reserved].

2.6 Commitment Fees, Etc.

- a. The Borrower agrees to pay to the Administrative Agent for the account of each Lender (other than a Defaulting Lender to the extent provided in Section 2.20) a commitment fee for the period from and including the Effective Date to the last day of the Commitment Period, in an amount equal to the Commitment Fee Rate multiplied by the daily average Available Commitment of such Lender during the period for which payment is made, payable quarterly in arrears on each Fee Payment Date, commencing on the first such date to occur after the Effective Date.
- b. The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in any written, duly executed fee agreements with the Administrative Agent and to perform any other obligations contained therein.

2.7 Termination or Reduction of Commitments; Extension of Termination Date.

- a. The Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Commitments or, from time to time, to reduce the amount of the Commitments; provided that no such termination or reduction of Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Revolving Loans made on the effective date thereof, aggregate amount of Revolving Loans outstanding would exceed the Total Commitments. Any such
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reduction shall be in an amount equal to \$1,000,000, or a whole multiple thereof, and shall reduce permanently the Commitments then in effect.

- b. The Borrower may, by written notice to the Administrative Agent (such notice being an “Extension Notice”) ~~given no more frequently than once in each calendar year~~, on not more than ~~two occasions~~, one occasion after Amendment No. 2 Effective Date request the Lenders to consider an extension of the then applicable Termination Date to a later date (which shall be a Business Day), which extension shall not exceed one year from the then applicable Termination Date ~~in each instance~~; provided, that for the avoidance of doubt, the transactions contemplated by Amendment No. 1 shall not be deemed to constitute an Extension Notice from the Borrower. The Administrative Agent shall promptly transmit any Extension Notice to each Lender. Each Lender shall notify the Administrative Agent whether it wishes to extend the then applicable Termination Date not later than 30 days after the date of such Extension Notice, and any such notice given by a Lender to the Administrative Agent, once given, shall be irrevocable as to such Lender. Any Lender which does not expressly notify the Administrative Agent prior to the expiration of such thirty-day period that it wishes to so extend the then applicable Termination Date shall be deemed to have rejected the Borrower’s request for extension of such Termination Date. Lenders consenting to extend the then applicable Termination Date are hereinafter referred to as “Continuing Lenders”, and Lenders declining to consent to extend such Termination Date (or Lenders deemed to have so declined) are hereinafter referred to as “Non-Extending Lenders”. If the Required Lenders have elected (in their sole and absolute discretion) to so extend the Termination Date, the Administrative Agent shall promptly notify the Borrower of such election by the Required Lenders, and effective on the date which is 30 days after the date of such notice by the Administrative Agent to the Borrower, the Termination Date shall be automatically and immediately so extended with regard to the Continuing Lenders. No extension will be permitted hereunder without the consent of the Required Lenders. Upon the delivery of an Extension Notice and upon the extension of the Termination Date pursuant to this Section, the Borrower shall be deemed to have represented and warranted on and as of the date of such Extension Notice and the effective date of such extension, as the case may be, that no Default or Event of Default has occurred and is continuing. Notwithstanding anything contained in this Agreement to the contrary, no Lender shall have any obligation to extend the Termination Date, and each Lender may at its option, unconditionally and without cause, decline to extend the Termination Date.
- c. If the Termination Date shall have been extended in accordance with this Section 2.7, all references herein to the “Termination Date” (except with respect to any Non-Extending Lender) shall refer to the Termination Date as so extended.
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- d. If any Lender shall determine (or be deemed to have determined) not to extend the Termination Date as requested by any Extension Notice given by the Borrower pursuant to this Section, the Commitment of such Non-Extending Lender shall terminate on the Termination Date without giving any effect to such proposed extension, and the Borrower shall on such date pay to the Administrative Agent, for the account of such Non-Extending Lender, the principal amount of, and accrued interest on, such Non-Extending Lender's Loans, together with any amounts payable to such Lender pursuant to Section 2.17 and any and all fees or other amounts owing to such Non-Extending Lender under this Agreement; provided that if the Borrower has replaced such Non-Extending Lender pursuant to Section 2.7(e) then the provisions of such paragraph shall apply. The Total Commitments shall be reduced by the amount of the Commitment of such Non-Extending Lender to the extent the Commitment of such Non-Extending Lender has not been transferred to one or more Continuing Lenders pursuant to Section 2.7(e).
 - e. A Non-Extending Lender shall be obligated, at the request of the Borrower and subject to (i)(i) payment by the successor Lender described below to the Administrative Agent for the account of such Non-Extending Lender of the principal amount of, and accrued interest on, such Non-Extending Lender's Loans, and (ii)(ii) payment by the Borrower to such Non-Extending Lender of any amounts payable to such Non-Extending Lender pursuant to Section 2.17 (as if the purchase of such Non-Extending Lender's Loans constituted a prepayment thereof) and any and all fees or other amounts owing to such Non-Extending Lender under this Agreement, to transfer without recourse, representation, warranty (other than a representation that such Lender has not created an adverse claim on its Loans) or expense to such Non-Extending Lender, at any time prior to the Termination Date applicable to such Non-Extending Lender, all of such Non-Extending Lender's rights and obligations hereunder to another financial institution or group of financial institutions nominated by the Borrower and willing to participate as a successor Lender in the place of such Non-Extending Lender; provided that, if such transferee is not already a Lender, (1) such transferee satisfies all the requirements of this Agreement, and (2) the Administrative Agent shall have consented to such transfer, which consent shall not be unreasonably withheld, conditioned or delayed. Each such transferee successor Lender shall be deemed to be a Continuing Lender hereunder in replacement of the transferor Non-Extending Lender and shall enjoy all rights and assume all obligations on the part of such Non-Extending Lender set forth in this Agreement. Each such transfer shall be effected pursuant to an Assignment and Assumption.
 - f. If the Termination Date shall have been extended in respect of Continuing Lenders in accordance with this Section, any notice of borrowing pursuant to Section 2.2 specifying a Borrowing Date occurring after the Termination Date applicable to a Non-Extending Lender or requesting an Interest Period extending beyond such date shall (i)(i) have no effect in
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respect of such Non-Extending Lender and (ii)(ii) not specify a requested aggregate principal amount exceeding the aggregate Available Commitments (calculated on the basis of the Commitments of the Continuing Lenders).

2.8 Optional Prepayments.

- a. The Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Administrative Agent no later than 12:00 Noon, New York City time, three Business Days prior thereto, in the case of **EurodollarTerm Benchmark** Loans, and no later than 2:00 p.m., New York City time, one Business Day prior thereto, in the case of ABR Loans, which notice shall specify the date and amount of prepayment and whether the prepayment is of **EurodollarTerm Benchmark** Loans or ABR Loans; provided, that if a **EurodollarTerm Benchmark** Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.17. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Revolving Loans which shall be in an aggregate principal amount of \$1,000,000 or a whole multiple of \$500,000 in excess thereof. Notwithstanding the foregoing, any notice of prepayment delivered in connection with any refinancing of all of the Loans and Commitments with the proceeds of such refinancing or of any other incurrence of Indebtedness or the occurrence of some other identifiable event or condition, may be, if expressly so stated to be, contingent upon the consummation of such refinancing or incurrence or occurrence of such other identifiable event or condition and may be revoked by the Borrower, subject to compliance with the obligations under Section 2.17 in connection with any such revocation, in the event such contingency is not met.

2.9 Conversion and Continuation Options.

- a. The Borrower may elect from time to time to convert **EurodollarTerm Benchmark** Loans to ABR Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 12:00 Noon, New York City time, on the Business Day preceding the proposed conversion date, provided that any such conversion of **EurodollarTerm Benchmark** Loans may only be made on the last day of an Interest Period with respect thereto. The Borrower may elect from time to time to convert ABR Loans to **EurodollarTerm Benchmark** Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 12:00 Noon, New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest
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Period therefor), provided that no ABR Loan may be converted into a **EurodollarTerm Benchmark** Loan when any Event of Default has occurred and is continuing and the Required Lenders have determined in their sole discretion not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

- b. Any **EurodollarTerm Benchmark** Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice to the Administrative Agent, in accordance with the applicable provisions of the defined term “Interest Period”, of the length of the next Interest Period to be applicable to such Loans, provided that no **EurodollarTerm Benchmark** Loan may be continued as such when any Event of Default has occurred and is continuing and the Required Lenders have determined in their sole discretion not to permit such continuations; provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph, subject to the preceding proviso, such Loans shall be automatically continued as **EurodollarTerm Benchmark** Loans with an Interest Period of one month on the last day of such then expiring Interest Period. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

2.10 Limitations on EurodollarTerm Benchmark Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of **EurodollarTerm Benchmark** Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that (a)(a) after giving effect thereto, the aggregate principal amount of the **EurodollarTerm Benchmark** Loans comprising each **EurodollarTerm Benchmark** Tranche shall be equal to \$1,000,000 or a whole multiple of \$500,000 in excess thereof and (b)(b) no more than 15 **EurodollarTerm Benchmark** Tranches shall be outstanding at any one time.

2.11 Interest Rates and Payment Dates.

- a. Each **EurodollarTerm Benchmark** Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the **EurodollarAdjusted Term SOFR** Rate determined for such day plus the Applicable Margin.
 - b. Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.
 - c. (i)(i) If all or a portion of the principal amount of any Loan shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a default rate per annum equal to, in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section plus 2%, and (ii)(ii) if all or a portion of any interest payable on any Loan or
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any commitment fee, letter of credit fee, or any other fee payable (excluding any expenses or other indemnity) hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a default rate per annum equal to the rate then applicable to ABR Loans plus 2%, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (as well after as before judgment).

- d. Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to Section 2.11(c) shall be payable from time to time on demand.

2.12 Computation of Interest and Fees.

- a. Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans, the rate of interest on which is calculated on the basis of ABR, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of ~~a Eurodollar~~the ABR and the Adjusted Term SOFR Rate. Any change in the interest rate on a Loan resulting from a change in the ABR (or ~~the Eurocurrency Reserve Requirements, for purposes of any determination of the ABR pursuant to clause (c) thereof, the Adjusted Term SOFR Rate~~) shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.
- b. Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall constitute prima facie evidence of such amounts. The Administrative Agent shall, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.11(a).

2.13 Inability to Determine Interest Rate.

- a. Subject to clauses (b), (c), (d), (e), and (f) ~~and (g)~~ of this Section 2.13, if ~~prior to the commencement of any Interest Period for a Eurodollar Loan:~~
 - i. the Administrative Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Loan, that adequate and reasonable means do not exist for ascertaining the

~~Eurodollar~~Adjusted Term SOFR Rate or the ~~Eurodollar-Base~~Term SOFR Rate, ~~as applicable~~ (including because the ~~Eurodollar-Screen~~Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period, ~~provided that no Benchmark Transition Event shall have occurred at such time or~~ (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple SOFR Rate, Daily Simple SOFR; or

- ii. the Administrative Agent is advised by the Required Lenders that ~~the Eurodollar Rate or the Eurodollar Base Rate, as applicable;~~ (A) prior to the commencement of any Interest Period for a Term Benchmark Loan, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) ~~included in the applicable borrowing~~ for such Interest Period or (B) at any time, Adjusted Daily Simple SOFR Rate will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan);

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any notice from the Borrower to the Administrative Agent that requests the conversion of any Loans to, or continuation of any Loans as, a ~~Eurodollar borrowing shall be ineffective~~ Term Benchmark Loan shall instead be deemed to request the conversion of any Loans to, or continuation of any Loans as, (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not also the subject of Section 2.13(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate also is the subject of Section 2.13(a)(i) or (ii) above and (B) if any borrowing notice delivered pursuant to Section 2.2 requests a borrowing of ~~Eurodollar Loans;~~ Term Benchmark Loans such borrowing shall be made as ~~an ABR Loan~~ (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not also the subject of Section 2.13(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate also is the subject of Section 2.13(a)(i) or (ii) above; provided that if the circumstances giving rise to such notice affect only one Type of borrowings, then the other Type of borrowings shall be permitted.

- b. ~~Replacing USD LIBOR.~~ Notwithstanding anything to the contrary herein or in any other Loan Document, ~~on March 5, 2021 the Financial Conduct Authority ("FCA"), the regulatory supervisor of the Eurodollar Base Rate's administrator ("IBA"), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-week, 1-month, 3-month, 6-month and 12-month Eurodollar Base Rate tenor settings. On the earlier of (i) the date that all Available Tenors of the Eurodollar Base Rate have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or~~

~~publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is the Eurodollar Base Rate, the Benchmark (and any Swap Agreement shall be deemed not to be a “Loan Document” for purposes of this Section 2.13), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark~~ Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of ~~any setting of~~ such Benchmark ~~on such day and all~~ setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. ~~If the and (y) if a Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.~~

~~(e) determined in accordance with clause (2) of Replacing Future Benchmarks. Upon the occurrence of a Benchmark Transition Event, the the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement~~ will replace ~~the then-current~~ such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. ~~Upon the occurrence of a Benchmark Transition Event, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower’s receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to ABR Loans. During the period referenced in the foregoing sentence, the component of ABR based upon the Benchmark will not be used in any determination of ABR of each affected Class.~~

- c. ~~(d) Benchmark Replacement Conforming Changes. In connection with the implementation and administration of a Benchmark Replacement, Notwithstanding anything to the contrary herein or in any other Loan Document,~~ the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.
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- d. ~~(c) Notices; Standards for Decisions and Determinations.~~ The Administrative Agent will promptly notify the Borrower and the Lenders of ~~(i) (i) any occurrence of a Benchmark Transition Event, (ii) (ii) the implementation of any Benchmark Replacement and (iii) (iii) the effectiveness of any Benchmark Replacement Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Administrative Agent as set forth in this Section 2.13 may be provided, at the option of the Administrative Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes, (iv) (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) (v) the commencement or conclusion of any Benchmark Unavailability Period.~~ Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.13, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party ~~hereto to this Agreement or any other Loan Document~~, except, in each case, as expressly required pursuant to this Section 2.13.
- e. ~~(f) Unavailability of Tenor of Benchmark. At~~ Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), ~~(i) (i) if the then-current Benchmark is a term rate (including the Term SOFR or Eurodollar Base Rate) Rate) and either (A) (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may remove any tenor of such~~ modify the definition of "Interest Period" for any Benchmark that is ~~settings at or after such time to remove such unavailable or non-representative for tenor and (ii) (ii) if a tenor that was removed pursuant to clause (i) above either (A) (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) settings and (ii) or (B) (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may~~ modify the definition of "Interest Period" for all Benchmark settings at or after such time
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to reinstate ~~any~~ such previously removed tenor ~~for Benchmark (including Benchmark Replacement) settings~~.

- f. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Loan or conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any request for a Term Benchmark Loan into a request for a borrowing of or conversion to (A) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not the subject of a Benchmark Transition Event or (B) an ABR Loan if the Adjusted Daily Simple SOFR Rate is the subject of a Benchmark Transition Event. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.13, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate is the subject of a Benchmark Transition Event, on such day.

~~(g) *Disclaimer.* The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "Eurodollar Rate" or "Eurodollar Base Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to the Eurodollar Base Rate (or any other Benchmark) or have the same volume or liquidity as did the Eurodollar Base Rate (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 2.13 including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by clause (c) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 2.13.~~

2.14 Pro Rata Treatment and Payments; Notes.

- a. Each borrowing by the Borrower from the Lenders hereunder, each payment by the Borrower on account of any commitment fee and any reduction of the Commitments of the Lenders shall be made pro rata according to the respective Percentages of the Lenders.
 - b. Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Revolving Loans shall be made pro rata according to the respective outstanding principal amounts of the Revolving Loans then held by the Lenders.
 - c. Notwithstanding anything to the contrary herein, all payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 4:00 P.M., New York City time, on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to the Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the ~~Eurodollar~~Term Benchmark Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a ~~Eurodollar~~Term Benchmark Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.
 - d. Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative
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Agent, on demand, such amount with interest thereon, at a rate equal to the greater of (i)(i) the ~~Federal Funds Effective~~ NYFRB Rate and (ii)(ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days after such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans from the Borrower within 30 days after written demand therefor.

- e. Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective *pro rata* shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the ~~daily average Federal Funds Effective~~ NYFRB Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.
 - f. The Borrower agrees that, upon the request to the Administrative Agent by any Lender, the Borrower will promptly execute and deliver to such Lender a promissory note (a "Note") of the Borrower evidencing any Revolving Loans of such Lender, substantially in the form of Exhibit H, with appropriate insertions as to date and principal amount; provided, that delivery of Notes shall not be a condition precedent to the occurrence of the Effective Date or the making of Loans on the Effective Date.
 - g. If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.14(d), then the Administrative Agent may, in its discretion and notwithstanding any contrary provision hereof, (i)(i) apply any amounts thereafter received by the Administrative Agent hereunder for the account of such Lender for the benefit of the Administrative Agent to satisfy such Lender's obligations to the Administrative Agent, as the case may be, under such Section until all such unsatisfied obligations are fully paid, and/or (ii)(ii) so long as such Lender is a Defaulting Lender, hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any
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such Section, in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

2.15 Change of Law.

a. If a Change of Law shall:

- i. subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its Loans or Commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;
- ii. impose, modify or hold applicable any reserve, special deposit, compulsory loan, Federal Deposit Insurance Corporation insurance charge or other similar insurance charge or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any Lender that is not otherwise included in the determination of the ~~Eurodollar~~ Adjusted Term SOFR Rate, which requirements are generally applicable to advances, loans and other extensions of credit made by such Lender; or
- iii. impose on any Lender any other condition that is generally applicable to loans made by such Lender or participations therein by a Lender;

and the result of any of the foregoing is to increase the cost to such Lender or such other Recipient, by an amount that such Lender or such other Recipient deems to be material, of making, converting into, continuing or maintaining Loans, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall promptly pay such Lender or such other Recipient, within ten Business Days after its demand, any additional amounts necessary to compensate such Lender or such other Recipient for such increased cost or reduced amount receivable. If any Lender or other Recipient becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled; provided, however, that no Lender or other Recipient shall be entitled to demand such compensation more than 90 days following (x) the last day of the Interest Period in respect of which such demand is made or (y) the repayment of the Loan in respect of which such demand is made. Notwithstanding any other provision herein, no Lender shall demand compensation pursuant to this Section 2.15 if it shall not at the time be the general policy or practice of such Lender to demand such compensation from similarly situated borrowers (to the extent that such Lender has the right to do so under its credit facilities with similarly situated borrowers).

- b. If any Lender shall have determined that a Change of Law regarding capital or liquidity requirements shall have the effect of reducing the rate of return on such Lender's capital or the capital of any corporation
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controlling such Lender as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such Change of Law (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such corporation for such reduction.

- c. A certificate as to any additional amounts payable pursuant to this Section 2.15 submitted by any Lender or any other Recipient to the Borrower (with a copy to the Administrative Agent) shall constitute prima facie evidence of such costs or amounts. Notwithstanding anything to the contrary in this Section 2.15, the Borrower shall not be required to compensate a Lender or any other Recipient pursuant to this Section 2.15 for any amounts incurred more than six months prior to the date that such Lender or such other Recipient notifies the Borrower of such Lender's or such other Recipient's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect not to exceed twelve months. The obligations of the Borrower pursuant to this Section 2.15 shall survive for 90 days after the termination of this Agreement and the payment of the Loans and all other amounts then due and payable hereunder.

2.16 Taxes.

- a. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable laws. If any applicable laws (as determined in the good faith discretion of the Borrower or Administrative Agent making the payment) require the deduction or withholding of any Tax from any such payment, then (A) the Borrower or Administrative Agent, as applicable, shall withhold or make such deductions as are determined by the Borrower or the Administrative Agent to be required, (B) the Borrower or Administrative Agent, as applicable, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 2.16) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.
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- b. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.
 - c.
 - i. The Borrower shall, and does hereby, indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or another Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or another Recipient, shall be conclusive absent manifest error.
 - ii. Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (y) the Administrative Agent against any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.6(c) (iii) relating to the maintenance of a Participant Register and (z) the Administrative Agent against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).
 - d. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this
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Section 2.16, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

e.

i. Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.16(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

ii. Without limiting the generality of the foregoing,

A. any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

B. any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from

time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

- I. in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W- 8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;
 - II. executed copies of IRS Form W-8ECI;
 - III. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c) (3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W- 8BEN or W-8BEN-E, as applicable; or
 - IV. to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W- 8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of
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Exhibit G-4 on behalf of each such direct and indirect partner.

- C. any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and
 - D. if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3) (C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Effective Date.
- iii. Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 2.16 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.
- f. At no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient
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determines, in its sole discretion exercised in good faith, that it has received a refund of, or credit with respect to, any Taxes as to which it has been indemnified pursuant to this Section 2.16 (including by the payment of additional amounts pursuant to this Section 2.16), it shall pay to the Borrower an amount equal to such refund or credit (but only to the extent of indemnity payments made under this Section 2.16 with respect to the Taxes giving rise to such refund or credit), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit). The Borrower, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such indemnified party is required to repay such refund or credit to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to the Borrower pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund or credit had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph (f) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

- g. Each party's obligations under this Section 2.16 shall survive for one year after the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.17 Indemnity. The Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any loss (other than the loss of Applicable Margin) or expense that such Lender may sustain or incur as a consequence of (a)(a) default by the Borrower in making a borrowing of, conversion into or continuation of ~~Eurodollar~~Term Benchmark Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b)(b) default by the Borrower in making any prepayment of or conversion from ~~Eurodollar~~Term Benchmark Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c)(c) the making of a prepayment of ~~Eurodollar~~Term Benchmark Loans on a day that is not the last day of an Interest Period with respect thereto. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be conclusive in the absence of manifest error. This covenant shall survive for 90 days after the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.18 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.15 or 2.16 with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy

considerations of such Lender) to designate another lending office for any Loans affected by such event with the object of avoiding the consequences of such event; provided, that such designation is made on terms that, in the sole but reasonable judgment of such Lender, cause such Lender and its lending office(s) to suffer no unreimbursed economic disadvantage or any legal or regulatory disadvantage, and provided, further, that nothing in this Section shall affect or postpone any of the obligations

2.19 Replacement of Lenders. The Borrower shall be permitted to replace any Lender that (a)(a) requests (on its behalf or any of its Participants) reimbursement for amounts owing pursuant to Section 2.15 or 2.16, (b) provides notice under Section 2.21 or (c) becomes a Defaulting Lender, with a replacement financial institution; provided that (i)(i) such replacement does not conflict with any Requirement of Law, (ii)(ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii)(iii) prior to any such replacement, such Lender shall have taken no action under Section 2.18 which eliminates the continued need for payment of amounts owing pursuant to Section 2.15 or 2.16, (iv)(iv) the replacement financial institution shall purchase, at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (v)(v) the Borrower shall be liable to such replaced Lender under Section 2.17 if any ~~Eurodollar~~ **Term Benchmark** Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (vi)(vi) the replacement financial institution, if not already a Lender, shall be reasonably satisfactory to the Administrative Agent, (vii)(vii) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein), (viii)(viii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.15 or 2.16, as the case may be, and (ix)(ix) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.

2.20 Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

- a. any payment of principal, interest, fees or other amounts (other than those described in Section 2.20(b)) received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 7 or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 9.7), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third*, if so determined by the Borrower with the consent of the Administrative Agent, not to be unreasonably withheld, to be held in a
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non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a payment of the principal amount of any Loans in respect of which that Defaulting Lender has not fully funded its appropriate share such payment shall be applied solely to pay the Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.20(a) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto;

- b. [reserved];
- c. [reserved];
- d. [reserved]; and
- e. that Defaulting Lender's right to approve or disapprove any amendment, supplement, modification, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 10.1.

If the Borrower and the Administrative Agent reasonably determine in writing that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their Percentages, whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.21 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain, or fund Loans whose interest is determined by reference to the ~~Eurodollar~~Adjusted Term SOFR Rate, or to determine or charge interest rates based upon the ~~Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market~~Adjusted Term SOFR Rate, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent), (a) any obligation of such Lender to make or continue ~~Eurodollar~~Term Benchmark Loans or to convert ABR Loans to ~~Eurodollar~~Term Benchmark Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining ABR Loans the interest rate on which is determined by reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR, the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all ~~Eurodollar~~Term Benchmark Loans of such Lender to ABR Loans (the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such ~~Eurodollar~~Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such ~~Eurodollar~~Term Benchmark Loans and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the ~~Eurodollar~~Adjusted Term SOFR Rate, the Administrative Agent shall during the period of such suspension compute the ABR applicable to such Lender without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the ~~Eurodollar~~Adjusted Term SOFR Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.17.

SECTION 3. [Reserved].

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Loans, the Borrower hereby represents and warrants to the Administrative Agent and each Lender, on the Effective Date and on the date of each Credit Event hereunder after the Effective Date, that:

4.1 Financial Condition. (a) The audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of December 31, 2020, and the related consolidated statements of income and cash flows for the fiscal year ended on such date, reported on

by Deloitte & Touche LLP, and (b) the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of March 31, 2021, and the related consolidated statements of income and cash flows for the portion of the fiscal year ended on such date, each delivered to the Administrative Agent prior to the Amendment No. 1 Effective Date, in each case, (i) were prepared in accordance with GAAP consistently applied throughout the periods covered thereby, except as otherwise expressly noted therein, and (ii) present fairly in all material respects the consolidated financial condition of the Borrower and its consolidated Subsidiaries as of such date, and its consolidated income and its consolidated cash flows for the respective fiscal year or portion of the fiscal year then ended, subject, in the case of the financial statements referred to in clause (b), to the absence of footnotes and to normal year-end audit adjustments.

4.2 No Change. Since December 31, 2020, no Specified Material Adverse Effect has occurred.

4.3 Existence; Compliance with Law. Each of the Borrower and its Significant Subsidiaries (a)(a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, (b)(b) has the organizational power and organizational authority to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c)(c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except to the extent that the failure to so qualify could not reasonably be expected to have a Material Adverse Effect and (d)(d) is in compliance with all Requirements of Law except for any Requirements of Law being contested in good faith by appropriate proceedings and except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.4 Power; Authorization; Enforceable Obligations. The Borrower has the corporate power and corporate authority to execute and deliver and to perform its obligations under the Loan Documents and to obtain extensions of credit hereunder. The Borrower has taken all necessary corporate action to authorize the execution and delivery of, and performance of its obligations under, the Loan Documents to which it is a party and to authorize the extensions of credit on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Loan Documents, except (i)(i) consents, authorizations, filings and notices which have been obtained or made and are in full force and effect, (ii)(ii) any consent, authorization or filing that may be required in the future the failure of which to make or obtain could not reasonably be expected to have a Material Adverse Effect and (iii)(iii) applicable Requirements of Law (including the approval of the CPUC) prior to foreclosure or other exercise of remedies under the Loan Documents. This Agreement has been, and each other Loan Document upon execution and delivery will be, duly executed and delivered. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by (x) applicable bankruptcy, insolvency,

reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, laws of general application related to the enforceability of securities secured by real estate and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and (y) applicable Requirements of Law (including the approval of the CPUC) prior to foreclosure or other exercise of remedies hereunder or under the other Loan Documents.

4.5 No Legal Bar. The execution and delivery of, and the performance of the obligations under, this Agreement and the other Loan Documents, the borrowings hereunder and the use of the proceeds thereof will not violate in any material respect any Requirement of Law or any Contractual Obligation of the Borrower or any of its Significant Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Loan Documents).

a. Litigation. (a) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened in writing by or against the Borrower or any of its Significant Subsidiaries or against any of their respective material properties or revenues with respect to any of the Loan Documents.

(b) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened in writing by or against the Borrower or any of its Significant Subsidiaries or against any of their respective material properties or revenues, except as disclosed in the Specified Exchange Act Filings, that could reasonably be expected to have a Material Adverse Effect.

4.7 No Default. No Default or Event of Default has occurred and is continuing.

4.8 Taxes. The Borrower and each of its Significant Subsidiaries has filed or caused to be filed all Federal and state returns of income and franchise taxes imposed in lieu of net income taxes and all other material tax returns that are required to be filed and has paid all taxes shown to be due and payable on said returns or with respect to any claims or assessments for taxes made against it or any of its property by any Governmental Authority (other than (i)(i) any amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable, and (ii)(ii) claims which could not reasonably be expected to have a Material Adverse Effect). No material tax Liens have been filed against the Borrower or any of its Significant Subsidiaries other than (A) Liens for taxes which are not delinquent or (B) Liens for taxes which are being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable.

4.9 Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for "buying" or "carrying" any "margin

stock” within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect or for any purpose that violates the provisions of the Regulations of the Federal Reserve Board.

4.10 ERISA. No Reportable Event has occurred during the five year period prior to the date on which this representation is made or deemed made with respect to any Plan, and each Plan has complied with the applicable provisions of ERISA and the Code, except, in each case, to the extent that any such Reportable Event or failure to comply with the applicable provisions of ERISA or the Code could not reasonably be expected to result in a Material Adverse Effect. During the five year period prior to the date on which this representation is made or deemed made, there has been no (i)(i) failure to make a required contribution to any Plan that would result in the imposition of a Lien or other encumbrance or the provision of security under Section 430 of the Code or Section 303 or 4068 of ERISA, or the arising of such a Lien or encumbrance; or (ii)(ii) “unpaid minimum required contribution” or “accumulated funding deficiency” (as defined or otherwise set forth in Section 4971 of the Code or Part 3 of Subtitle B of Title I of ERISA), whether or not waived, except, in each case, to the extent that such event could not reasonably be expected to result in a Material Adverse Effect. No termination of a Single Employer Plan has occurred, and no Lien in favor of the PBGC or a Plan has arisen, during such five-year period. The present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund such Plan) did not, as of the last annual valuation date for which a certified actuarial valuation report is available prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits, except as could not reasonably be expected to result in a Material Adverse Effect. Neither the Borrower nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan during the five year period prior to the date on which this representation is made or deemed made that has resulted or could reasonably be expected to result in a material liability under ERISA, and neither the Borrower nor any Commonly Controlled Entity would become subject to any liability under ERISA if the Borrower or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made, except as could not reasonably be expected to result in a Material Adverse Effect. No such Multiemployer Plan is in endangered or critical status (within the meaning of Section 305 of ERISA) or in Insolvency.

4.11 Investment Company Act; Other Regulations. The Borrower is not an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended. On the Effective Date, the Borrower is not subject to regulation under any Requirement of Law (other than (a)(a) Regulation X of the Federal Reserve Board and (b)(b) Sections 817-830, and Sections 701 and 851 of the California Public Utilities Code) that limits its ability to incur Indebtedness under this Agreement.

4.12 Use of Proceeds. The proceeds of the Revolving Loans shall be used to finance working capital needs, capital expenditures and other general corporate purposes (other than to redeem, purchase, retire, obtain the surrender of or otherwise acquire for value Capital Stock of the Borrower) of the Borrower and its Subsidiaries. No part of the

proceeds of any Loans, and no other extensions of credit hereunder, will be used for “buying” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect or for any purpose that violates the provisions of the Regulations of the Board.

4.13 Environmental Matters. Except as disclosed in the Specified Exchange Act Filings, the Borrower and its Significant Subsidiaries are not subject to any pending violations or liabilities under Environmental Laws or relating to the disposal, spill or other release of Materials of Environmental Concern that would reasonably be expected to have a Material Adverse Effect, and, to the knowledge of the Borrower, there are no facts, circumstances or conditions that could reasonably be expected to give rise to such violations or liabilities.

4.14 Regulatory Matters. Solely by virtue of the execution, delivery and performance of, or the consummation of the transactions contemplated by this Agreement, no Lender shall be or become subject to regulation (a)(a) under the FPA or (b)(b) as a “public utility” or “public service corporation” or the equivalent under any Requirement of Law.

4.15 Sanctions; Anti-Corruption. None of the Borrower, any of its Subsidiaries, nor, to the knowledge of the Borrower, any director, officer, agent, Affiliate or employee of the Borrower or any of its Subsidiaries is currently (i) the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department or the U.S. State Department (“Sanctions”) or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of any Sanctions. None of the Borrower, any of its Subsidiaries nor, to the knowledge of the Borrower, any director, officer, agent, Affiliate or employee of the Borrower or any of its Subsidiaries, has taken any action, directly or indirectly, that would result in a violation in any material respect by any such Person of the United States Foreign Corrupt Practices Act of 1977, as amended (“FCPA”) or of any other anti-bribery or anti-corruption laws, rules, regulations legally applicable to such Persons (collectively, “Anti-Corruption Laws”). The Borrower will not use the proceeds of Revolving Loans, or lend, contribute or otherwise make available such proceeds (a) to any Subsidiary, Affiliate, joint venture partner or other Person or entity, to fund the activities of any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of any Sanctions, or (b) directly, or, to the knowledge of the Borrower, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the FCPA or of any Anti-Corruption Laws.

4.16 Affected Financial Institutions. The Borrower is not an Affected Financial Institution.

4.17 Solvency. The Borrower and its Subsidiaries, on a consolidated basis, are Solvent as of the Effective Date (after giving effect to the Plan of Reorganization and the transactions described therein).

4.18 Disclosure.

- a. All written information relating to the Borrower, its Subsidiaries and their respective businesses, other than any projections, estimates and other forward-looking materials and information of a general economic or industry specific nature, that has been provided by or on behalf of the Borrower to the Administrative Agent or the Lenders in connection with the transactions contemplated hereby does not, when taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made (giving effect to all supplements and updates thereto). Any projected information, estimates, other forward-looking materials and pro forma financial information that have been made available to any Lenders or the Administrative Agent prior to the Effective Date in connection with the transactions contemplated hereby have been prepared in good faith based upon assumptions believed by the Borrower to be reasonable as of the date such information was furnished to the Lenders and as of the Effective Date (it being understood that actual results may vary materially from such projections and pro forma information and such projections and pro forma information are not a guarantee of performance).
- b. As of the Effective Date, to the knowledge of the Borrower, the information included in any Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.▪

4.19 Validity of Security Interests. The Security Documents will (to the extent required thereby) create in favor of the Collateral Agent, for the benefit of the Lenders, a valid and enforceable Lien on and security interest in the Collateral (subject to any limitations specified therein) and (i) when financing statements and other filings in appropriate form are filed in the offices specified in the Pledge Agreement and (ii) upon the taking of possession or control by the Collateral Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Collateral Agent to the extent possession or control by the Collateral Agent is required by the Pledge Agreement), the Liens created by the Security Documents shall constitute perfected Liens on, and security interests in, all right, title and interest of the Borrower in such Collateral to the extent perfection can be obtained by filing financing statements or by possession or control, in each case subject to no Liens other than Liens permitted hereunder.

4.20 Ownership of Property. As of the Effective Date, each of the Borrower and its Significant Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, subject to no Liens other than Liens permitted under Section 7.3, except for where the failure would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

4.21 Covered Entity. The Borrower is not a Covered Entity.

SECTION 5. CONDITIONS PRECEDENT

5.1 Conditions to the Effective Date. The occurrence of the Effective Date and the effectiveness of the Lenders' Commitments hereunder is subject to the satisfaction of the following conditions precedent:

- a. Credit Agreement. The Administrative Agent shall have received this Agreement (including copies of all schedules attached hereto in a form reasonably satisfactory to the Lenders), executed and delivered by the Administrative Agent, the Borrower and each Person listed on Schedule 1.1.
 - b. Consents and Approvals. All governmental and third party consents and approvals necessary in connection with the execution and delivery of this Agreement and the other Loan Documents and the consummation of the transactions contemplated hereby shall have been obtained and be in full force and effect; and the Administrative Agent shall have received a certificate of a Responsible Officer to the foregoing effect.
 - c. KYC Information. At least three (3) Business Days prior to the Effective Date, the Administrative Agent and each Lender shall have received all documentation and information relating to the Borrower as is reasonably requested in writing by the Administrative Agent and/or any such Lender at least ten (10) Business Days prior to the Effective Date that is required by Governmental Authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation. If the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation and the Administrative Agent or any Lender so request at least five (5) Business Days prior to the Effective Date, then at least three (3) Business Days prior to the Effective Date, the Borrower shall have delivered to the Administrative Agent and/or any such Lender a Beneficial Ownership Certification in relation to the Borrower.
 - d. The Administrative Agent shall have received the executed a pledge agreement (the "Pledge Agreement"), in a form satisfactory to the Administrative Agent, duly executed by the Borrower, the Administrative Agent, the Collateral Agent and the other secured representatives named therein, together with:
 - i. a UCC-1 financing statement in form appropriate for filing under the Uniform Commercial Code of the State of California in order to perfect the first priority Liens, subject to Liens permitted under Section 7.3, covering the Collateral as defined and described in the Pledge Agreement;
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- ii. certified copies of UCC, tax and judgment lien searches, or equivalent reports or searches, each of a recent date listing all effective financing statements, lien notices or comparable documents (together with copies of such financing statements and documents) that name the Borrower as debtor and that are filed in those state and county jurisdictions in which the Borrower is organized or maintains its principal place of business and such other searches that the Administrative Agent deems necessary or appropriate, none of which encumber the Collateral covered or intended to be covered by the Security Documents (other than Liens permitted under Section 7.3 and those Liens to be discharged as of the Effective Date); and
 - iii. the certificate representing the Capital Stock of PG&E Utility pledged pursuant to the Pledge Agreement, together with an undated stock or similar power for such certificate executed in blank by a duly authorized officer of the Borrower.
 - e. Fees. The Lenders, the Arrangers and the Administrative Agent shall have received all fees required to be paid, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel) on or before the date that is two (2) Business Days prior to the Effective Date.
 - f. Closing Certificate; Certified Articles of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i)(i) a certificate of the Borrower, dated the Effective Date, substantially in the form of Exhibit D, with appropriate insertions and attachments, including the articles of incorporation of the Borrower certified as of a recent date by the Secretary of State of the State of California, (ii)(ii) a good standing certificate for the Borrower dated as of a recent date from the Secretary of State of the State of California, and (iii) a certificate of a Responsible Officer, dated the Effective Date, confirming the satisfaction of the conditions precedent set forth in Sections 5.1(h) and (i).
 - g. Legal Opinion. The Administrative Agent shall have received the legal opinion of (i) Hunton Andrews Kurth LLP, counsel to the Borrower, and (ii) Munger, Tolles & Olson LLP, special California regulatory counsel to the Borrower, each in a form reasonably satisfactory to the Administrative Agent.
 - h. Representations and Warranties. Each of the representations and warranties made by the Borrower in this Agreement that does not contain a materiality qualification shall be true and correct in all material respects on and as of the Effective Date, and each of the representations and warranties made by the Borrower in this Agreement that contains a materiality qualification shall be true and correct on and as of the Effective Date (or, in each case, to the extent such representations and warranties
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specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date).

- i. No Default. No Default or Event of Default shall have occurred and be continuing on the Effective Date or after giving effect to any Credit Event requested to be made on the Effective Date.
- j. Solvency. The Administrative Agent shall have received a solvency certificate from the chief financial officer of the Borrower in substantially the form of Exhibit I hereto.

5.2 Conditions to Each Credit Event. The agreement of each Lender to make any Loan (a “Credit Event”), on any date (other than (except for clause (d)) the Effective Date) is subject to the satisfaction of the following conditions precedent:

- a. Effective Date. The Effective Date shall have occurred.
- b. Representations and Warranties. Each of the representations and warranties made by the Borrower in this Agreement (other than the representations and warranties set forth in Sections 4.2, 4.6(b) and 4.13) that does not contain a materiality qualification shall be true and correct in all material respects on and as of the date of such Credit Event as if made on and as of such date, and each of the representations and warranties made by the Borrower in this Agreement (other than the representations and warranties set forth in Sections 4.2, 4.6(b) and 4.13) that contains a materiality qualification shall be true and correct on and as of such date (or, to the extent such representations and warranties specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date).
- c. No Default. No Default or Event of Default shall have occurred and be continuing on the date of such Credit Event or after giving effect to the Credit Event requested to be made on such date
- d. Request for Credit Event. The Administrative Agent shall have received a notice of borrowing in accordance with the requirements of Section 2.2.

Each Credit Event (other than a Credit Event occurring on the Effective Date) shall constitute a representation and warranty by the Borrower as of the date of such Credit Event that the conditions contained in this Section 5.2 have been satisfied.

SECTION 6. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, or any Loan, any interest on any Loan or any fee payable to any Lender or the Administrative Agent

hereunder remains outstanding, or any other amount then due and payable is owing to any Lender or the Administrative Agent hereunder, the Borrower shall and, with respect to Sections 6.3 and 6.6(b), shall cause its Significant Subsidiaries to:

6.1 Financial Statements. Furnish to the Administrative Agent with a copy for each Lender, and the Administrative Agent shall deliver to each Lender:

- a. as soon as available, but in any event within 120 days after the end of each fiscal year of the Borrower, a copy of the audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of income and cash flows for such year, setting forth in each case in comparative form the figures for the previous year, reported on without a “going concern” or like qualification or exception, or qualification arising out of the scope of the audit, by Deloitte & Touche LLP or other independent certified public accountants of nationally recognized standing; and
- b. as soon as available, but in any event not later than 60 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower, the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to the absence of footnotes and normal year-end audit adjustments).

All such financial statements shall (x) be complete and correct in all material respects and (y) shall be prepared in reasonable detail and in accordance with GAAP applied (except as approved by such accountants or officer, as the case may be, and disclosed in reasonable detail therein) consistently throughout the periods reflected therein and with prior periods, subject, in each case to the absence of footnotes and to normal year-end audit adjustments. The Borrower shall be deemed to have delivered the financial statements required to be delivered pursuant to this Section 6.1 upon the filing of such financial statements by the Borrower through the SEC’s EDGAR system (or any successor electronic gathering system that is publicly available free of charge) or the publication by the Borrower of such financial statements on its website.

6.2 Certificates; Other Information. Furnish to the Administrative Agent, for delivery to the Lenders:

- a. within two Business Days after the delivery of any financial statements pursuant to Section 6.1, (i)(i) a certificate of a Responsible Officer stating that such Responsible Officer has obtained no actual knowledge of any Default or Event of Default except as specified in such certificate and (ii)(ii) a Compliance Certificate, substantially in the form of Exhibit C, containing all information and calculations reasonably necessary for determining compliance by the Borrower with the provisions of this
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Agreement referred to therein as of the last day of the fiscal quarter or fiscal year of the Borrower, as the case may be;

- b. within five days after the same are sent, copies of all financial statements and reports that the Borrower sends to the holders of any class of its debt securities or public equity securities, provided that, such financial statements and reports shall be deemed to have been delivered upon the filing of such financial statements and reports by the Borrower through the SEC's EDGAR system (or any successor electronic gathering system that is publicly available free of charge) or publication by the Borrower of such financial statements and reports on its website;
- c. promptly, such additional financial and other information (other than any such information the disclosure of which is prohibited by applicable law or binding agreement or subject to attorney-client privilege or constitutes attorney-work product or constitutes non-financial trade secrets or non-financial proprietary information so long as (x) such confidentiality obligation was not entered into in contemplation hereof and (y) the Borrower provides such Lender with notice that information is being withheld due to the existence of such confidentiality obligation) as any Lender, through the Administrative Agent, may from time to time reasonably request; and
- d. promptly, such documentation and other information that the Administrative Agent or such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

6.3 Payment of Taxes. Pay all taxes due and payable or any other tax assessments made against the Borrower or any of its Significant Subsidiaries or any of their respective property by any Governmental Authority (other than (i)(i) any amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable or (ii)(ii) where the failure to effect such payment could not reasonably be expected to have a Material Adverse Effect).

6.4 Maintenance of Existence; Compliance. (a)(a) (i)(i) Preserve, renew and keep in full force and effect its organizational existence and (ii)(ii) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted by Section 7.6 and except, in the case of clause (ii) above, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; (b)(b) comply with all Contractual Obligations except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect and (c)(c) comply with all Requirements of Law except for any Requirements of Law being contested in good faith by appropriate proceedings or except to the extent that failure to comply

therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.5 Maintenance of Property; Insurance. (a)(a) Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear and casualty excepted, except to the extent that failure to do so could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (b)(b) maintain with financially sound and reputable insurance companies insurance on all its material property in at least such amounts and against at least such risks as are usually insured against in the same general area by companies engaged in the same or a similar business of comparable size and financial strength and owning similar properties in the same general areas in which the Borrower operates, which may include self-insurance, if determined by the Borrower to be reasonably prudent.

6.6 Inspection of Property; Books and Records; Discussions. (a)(a) Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities and (b)(b) unless a Default or Event of Default has occurred and is continuing, not more than once a year and after at least five Business Days' notice, (i)(i) permit representatives of any Lender to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time to discuss the business, operations, properties and financial and other condition of the Borrower and its Significant Subsidiaries with officers and employees of the Borrower and its Significant Subsidiaries and (ii)(ii) use commercially reasonable efforts to provide for the Lenders (in the presence of representatives of the Borrower) to meet with the independent certified public accountants of the Borrower and its Significant Subsidiaries; provided, that any such visits or inspections shall be subject to such conditions as the Borrower and each of its Significant Subsidiaries shall deem necessary based on reasonable considerations of safety, security and confidentiality; and provided, further, that neither the Borrower nor any Significant Subsidiary shall be required to disclose to any Person any information the disclosure of which is prohibited by applicable law or binding agreement or subject to attorney-client privilege or constitutes attorney-work product or constitutes non-financial trade secrets or non-financial proprietary information so long as (x) such confidentiality obligation was not entered into in contemplation hereof and (y) the Borrower provides such Lender with notice that information is being withheld due to the existence of such confidentiality obligation.

6.7 Notices. Give notice to the Administrative Agent, and the Administrative Agent shall deliver such notice to each Lender, promptly upon any Responsible Officer obtaining knowledge of:

- a. the occurrence of any Default or Event of Default;
 - b. any change in the Rating issued by either S&P or Moody's; and
 - c. the occurrence of an ERISA Event which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect
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(provided, that, any judicial proceeding instituted by PBGC that, within 60 days after the institution of such proceeding, has been withdrawn or stayed by PBGC or otherwise, shall be disregarded for the purpose of this Section 6.7(c)).

6.8 Maintenance of Licenses, etc. Maintain in full force and effect any authorization, consent, license or approval of any Governmental Authority necessary for the conduct of the Borrower's business as now conducted by it or necessary in connection with this Agreement, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.9 Further Assurances. Promptly upon the reasonable request by the Administrative Agent, or by the Required Lenders through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, documents, agreements and other instruments as reasonably required from time to time to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable law, subject the Borrower's properties, assets, rights or interests to the Liens now or hereafter intended to be covered by the Pledge Agreement, (iii) perfect and maintain the validity, effectiveness and priority of the Pledge Agreement and any of the Liens intended to be created thereby and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Lenders and the Agents the rights granted or now or hereafter intended to be granted to the Lenders and the Agents under the Pledge Agreement or under any other instrument executed in connection with the Pledge Agreement.

SECTION 7. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, or any Loan, or any interest on any Loan or any fee payable to any Lender or the Administrative Agent hereunder remains outstanding, or any other amount then due and payable is owing to any Lender or the Administrative Agent hereunder, the Borrower shall not and shall not permit any of its Significant Subsidiaries (solely with respect to Sections 7.1, 7.3, 7.4, 7.9 and 7.13) to:

7.1 Indebtedness. Create, incur, assume or permit to exist any Indebtedness, except for:

- a. Indebtedness and other Obligations created hereunder (including any Indebtedness incurred pursuant to Section 2.3);
 - b. Indebtedness of PG&E Utility and any of its Significant Subsidiaries, in each case, to the extent not prohibited by the PG&E Utility Revolving Credit Agreement; provided that, no Guarantee Obligations by PG&E Utility or any of its Significant Subsidiaries, in each case, with respect to Indebtedness of the Borrower constituting debt for borrowed money or evidenced by notes, bonds, debentures or other similar instruments shall be permitted except to the extent provided by a Person that is, or
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concurrently with providing such Guarantee Obligations becomes, a guarantor of the Obligations hereunder on terms and pursuant to documentation reasonably satisfactory to the Administrative Agent;

- c. Indebtedness of the Borrower outstanding on the Effective Date in an aggregate outstanding principal amount not to exceed \$4,750,000,000 that is (i) unsecured, (ii) secured only by Liens on the Collateral that are junior to the Liens securing the Obligations pursuant to an intercreditor agreement reasonably satisfactory to the Collateral Agent or (iii) secured by Liens that rank equally and ratably with the Liens securing the Obligations and that are subject to the Pledge Agreement, and any Permitted Refinancing thereof;
 - d. Indebtedness (i) pursuant to tenders, statutory obligations, bids, leases, governmental contracts, trade contracts, surety, stay, customs, appeal, performance and/or return of money bonds or other similar obligations incurred in the ordinary course of business and (ii) in respect of letters of credit, bank guarantees, surety bonds, performance bonds or similar instruments and reimbursement obligations to support any of the foregoing items;
 - e. (i) Guarantee Obligations with respect to the obligations of suppliers, customers and licensees and other third parties in the ordinary course of business, (ii) Indebtedness incurred in the ordinary course of business to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services and (iii) Indebtedness in respect of letters of credit, bankers' acceptances, bank guarantees or similar instruments supporting trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business, workers compensation claims or other employee benefits;
 - f. Guarantee Obligations of PG&E Utility and its Significant Subsidiaries with respect to Indebtedness otherwise permitted to be incurred pursuant to this Section 7.1; provided that, no such Guarantee Obligations with respect to Indebtedness of the Borrower constituting debt for borrowed money or evidenced by notes, bonds, debentures or other similar instruments shall be permitted except to the extent provided by a Person that is, or concurrently with providing such Guarantee Obligations becomes, a guarantor of the Obligations hereunder on terms and pursuant to documentation reasonably satisfactory to the Administrative Agent;
 - g. Indebtedness consisting of (i) the financing of insurance premiums and/or (ii) take-or-pay obligations contained in supply arrangements;
 - h. Indebtedness with respect to Capital Lease Obligations and purchase money Indebtedness; provided that the aggregate outstanding principal amount of Indebtedness with respect to Capital Lease Obligations shall not exceed \$10,000,000 at any one time;
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- i. (x) obligations under any Cash Management Agreement and (y) Indebtedness under any Swap Agreement permitted under Section 7.13;
 - j. Indebtedness arising from any agreement providing for indemnification, adjustment or purchase price or similar obligations (including contingent earn-out obligations) incurred in connection with any Disposition or any purchase of assets or Capital Stock, and Indebtedness arising from guaranties, letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments securing the performance of the Borrower or its Significant Subsidiaries pursuant to any such agreement;
 - k. Indebtedness in respect of banking services and incentive, supplier finance or similar programs incurred in the ordinary course of business;
 - l. customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;
 - m. Indebtedness representing deferred compensation to employees, consultants or independent contractors incurred in the ordinary course of business;
 - n. Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument drawn against insufficient funds in the ordinary course of business;
 - o. endorsements for collection or deposit in the ordinary course of business;
 - p. unsecured Indebtedness owing to PG&E Utility or to any other Significant Subsidiary;
 - q. Indebtedness of the Borrower in an aggregate amount not to exceed \$10,000,000 outstanding at any one time; and
 - r. Indebtedness of the Borrower if at the time of and immediately after giving effect to the incurrence of such Indebtedness, (i) no Default shall have occurred and be continuing and (ii) the Borrower shall be in pro forma compliance with the financial covenants set forth in Section 7.2 (whether or not in effect, and, prior to the first test date thereunder, assuming the level applicable on such first date applies as of the date of such pro forma test) as of the last day of the most recently ended fiscal quarter for which financial statements have been delivered pursuant to Section 6.1 (such compliance to be determined as though such Indebtedness had been incurred as of the first day of such fiscal quarter); provided that (x) the final maturity date of such Indebtedness is no earlier than the latest maturity date of the Loans and Commitments hereunder, (y) the weighted average life to maturity of such Indebtedness is not shorter
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than the remaining weighted average life to maturity of the Loans and Commitments hereunder and (iii) such Indebtedness is (A) unsecured, (B) secured only by Liens on the Collateral that are junior to the Liens securing the Obligations pursuant to an intercreditor agreement reasonably satisfactory to the Collateral Agent or (C) secured by Liens that rank equally and ratably with the Lien securing the Obligations pursuant to the Pledge Agreement.

For the avoidance of doubt, no Indebtedness of the Borrower which is secured by the Collateral shall have priority equal to or higher than the Obligations under the Priority Waterfall.

7.2 Financial Covenants.

- a. Permit the Consolidated Capitalization Ratio on the last day of any fiscal quarter, from and after the last day of the first fiscal quarter ending after the Effective Date, to exceed 0.70 to 1.00.
- b. If the Testing Condition is satisfied as of the last day of any fiscal quarter commencing with the first full fiscal quarter ended after the Effective Date, permit the Cash Coverage Ratio on the last day of such fiscal quarter to be less than (i) prior to the first date on which the Borrower declares any cash dividend on its common Capital Stock, 1.50 to 1.00 and (ii) thereafter, 1.00 to 1.00.

7.3 Liens. Create, incur, assume or suffer to exist any Lien upon any assets of the Borrower or any Significant Subsidiary, whether now owned or hereafter acquired, except:

- a. Liens securing the Obligations, which pursuant to the Pledge Agreement shall have priority under the Priority Waterfall;
 - b. Liens for Taxes not yet due or payable or that are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the Borrower or the relevant Significant Subsidiary, as the case may be, in conformity with GAAP;
 - c. carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 60 days or that are being contested in good faith by appropriate proceedings;
 - d. pledges or deposits in connection with workers' compensation, employee benefits, including Plans, unemployment insurance and other social security legislation or in connection with compliance with Environmental Law;
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- e. deposits to secure (i) the performance of bids, trade contracts (other than for borrowed money), leases, statutory and regulatory obligations, governmental contracts, agreements with utilities, surety and appeal bonds, performance bonds, and other obligations of a like nature incurred in the ordinary course of business or (ii) letters of credit, bank guaranties or similar instruments to support any of the foregoing items;
 - f. easements, rights-of-way, conservation easements, restrictions, minor defects or irregularities in title and other similar encumbrances imposed by law or incurred in the ordinary course of business that, in the aggregate, do not materially interfere with the ordinary conduct of the business of the Borrower and its Significant Subsidiaries, taken as a whole;
 - g. precautionary or purported Liens evidenced by the filing of UCC financing statements or similar financing statements under applicable Requirements of Law;
 - h. leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of the Borrower and its Significant Subsidiaries, in each case, in the ordinary course of business which do not secure any Indebtedness;
 - i. Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;
 - j. any interest or title of a lessor under any lease entered into by the Borrower or any Significant Subsidiary thereof in the ordinary course of business and covering only the assets so leased;
 - k. (i) Liens on assets securing judgments, awards, attachments and/or decrees and notices of lis pendens and associated rights relating to litigation being contested in good faith not constituting an Event of Default hereunder and (ii) any pledge and/or deposit securing any settlement of litigation;
 - l. Liens in favor of collecting or payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Borrower on deposit with such bank;
 - m. Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of any asset in the ordinary course of business and permitted by this Agreement;
 - n. Liens solely on any cash earnest money deposits in connection with any letter of intent or purchase agreement;
 - o. Liens securing Indebtedness in connection with Capital Lease Obligations and purchase money Indebtedness permitted under Section 7.1(h); provided that (i) such Liens shall be created substantially simultaneously
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with the incurrence of such Indebtedness or within 180 days after completion of the acquisition, construction, repair, restoration, replacement, expansion, installation or improvement (as applicable) of the property subject to such Liens and (ii) such Liens attach at all times only to the property so financed except (A) for accessions to the property and the proceeds thereof and (B) that individual financings of property provided by one lender may be cross collateralized to other financings of property provided by such lender;

- p. rights reserved to or vested in others to take or receive any part of, or royalties related to, the power, gas, oil, coal, lignite or other minerals or timber generated, developed, manufactured or produced by, or grown on, or acquired with, any property of the Borrower and its Significant Subsidiaries in the ordinary course of business;
 - q. Liens upon the production from property of power, gas, oil, coal, lignite or other minerals or timber, and the by-products and proceeds thereof, to secure the obligations or pay all or part of the expenses of development of such property only out of such production or proceeds incurred in the ordinary course of business;
 - r. Liens arising out of all presently existing and future division and transfer orders, advance payment agreements, processing contracts, gas processing plant agreements, operating agreements, gas balancing or deferred production agreements, pooling, unitization or communitization agreements, pipeline, gathering or transportation agreements, platform agreements, cycling agreements, construction agreements, shared facilities agreements, salt water or other disposal agreements, leases or rental agreements, farm-out and farm-in agreements, development agreements, and any and all other contracts or agreements covering, arising out of, used or useful in connection with or pertaining to the development, operation, production, sale, use, purchase, exchange, storage, separation, dehydration, treatment, compression, gathering, transportation, processing, improvement, marketing, disposal or handling of any property of the Borrower and its Significant Subsidiaries; provided that such agreements are entered into in the ordinary course of business;
 - s. Liens on assets of PG&E Utility and any of its Significant Subsidiaries to the extent not prohibited by the PG&E Utility Revolving Credit Agreement;
 - t. Liens securing Indebtedness permitted pursuant to Sections 7.1(c) and Section 7.1(i); provided that either (i) such Lien ranks junior to the Lien securing the Obligations pursuant to an intercreditor agreement reasonably satisfactory to the Collateral Agent, (ii) such Lien ranks equally and ratably with the Lien securing the Obligations pursuant to the Pledge Agreement (but in no event shall any such Lien have priority equal to or higher than the Obligations under the Priority Waterfall) or (iii) solely
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with respect to Liens securing Indebtedness permitted pursuant to Section 7.1(i), such Lien is secured only by assets that are not Collateral; and

- u. other Liens securing Indebtedness and other obligations in an aggregate outstanding amount not to exceed \$10,000,000 at any one time.

7.4 Sale and Lease Back Transactions. Enter into any arrangement, directly or indirectly, with any Person whereby it shall sell or transfer any property having fair market value in excess of \$10,000,000, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred, except for (a) those transactions by PG&E Utility and any of its Significant Subsidiaries to the extent not prohibited by the PG&E Utility Revolving Credit Agreement, (b) those transactions described on Schedule 7.4 and (c) any other sale of any fixed or capital assets that is made for cash consideration; provided that, in each case, if such sale and leaseback results in a Capital Lease Obligation, such Capital Lease Obligation is permitted by Section 7.1 and any Lien made the subject of such Capital Lease Obligation is permitted by Section 7.3.

7.5 Investments. Purchase, hold or acquire (including pursuant to any merger, consolidation or amalgamation with a Person immediately prior to such merger, consolidation or amalgamation) any Capital Stock, evidences of Indebtedness or other securities of, make or permit to exist any loans or advances to or guarantees of the obligations of, or make or permit to exist any investment or any other interest in any other Person or purchase or acquire (in one transaction or a series of transactions) all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person (each, an “Investment”), except:

- a. Investments in any Subsidiary of the Borrower;
 - b. Swap Agreements permitted under Section 7.13;
 - c. Permitted Cash Equivalents;
 - d. Investments (i) constituting deposits, prepayments and/or other credits to suppliers, (ii) made in connection with obtaining, maintaining or renewing client and customer contracts and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, in the ordinary course of business or, in the case of clause (iii) to the extent necessary to maintain the ordinary course of supplies;
 - e. Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;
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- f. Investments (including Indebtedness and Capital Stock) received (i) in connection with the bankruptcy or reorganization of any Person, (ii) in settlement of delinquent obligations of, or other disputes with, customers, suppliers and other account debtors arising in the ordinary course of business, (iii) upon foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment and/or (iv) as a result of the settlement, compromise or resolution of litigation, arbitration or other disputes;
- g. Investments consisting of the licensing of intellectual property rights pursuant to joint marketing arrangements with other Persons entered into in the ordinary course of business;
- h. loans and advances not to exceed \$25,000,000 in the aggregate outstanding at any one time to officers, directors, employees and consultants for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances);
- i. Investments constituting non-cash proceeds of Dispositions of assets to the extent received in a Disposition permitted by Section 7.7;
- j. Investments relating to decommission trusts and insurance and self-insurance organizations or arrangements in the ordinary course of business;
- k. Investments required to comply with any requirement of a Governmental Authority or a Requirement of Law; and
- l. other Investments in an aggregate amount at any time outstanding not to exceed \$100,000,000 if at the time of and immediately after giving effect to such Investment, (i) no Default shall have occurred and be continuing and (ii) the Borrower shall be in pro forma compliance with the financial covenants set forth in Section 7.2 (whether or not in effect, and, prior to the first test date thereunder, assuming the level applicable on such first date applies as of the date of such pro forma test) as of the last day of the most recently ended fiscal quarter for which financial statements have been delivered pursuant to Section 6.1 (such compliance to be determined as though such Investment had been consummated as of the first day of such fiscal quarter).

7.6 Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business, except that the Borrower may be merged, consolidated or amalgamated with another Person or Dispose of all or substantially all of its property or business so long as, after giving effect to such transaction, (a)(a) no Default or Event of Default shall have occurred and be continuing, (b)(b) either (i)(i) the Borrower is the continuing or surviving corporation of such merger,

consolidation or amalgamation or (ii)(ii) the continuing or surviving corporation of such merger, consolidation or amalgamation, if not the Borrower or the purchaser, (x) shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia, (y) shall have assumed all obligations of the Borrower under the Loan Documents pursuant to arrangements reasonably satisfactory to the Administrative Agent and (z) to the extent requested by the Administrative Agent or any Lender, shall have promptly provided to the Administrative Agent or such Lender all documentation and other information that may be required by the Administrative Agent or such Lender in order to enable compliance with applicable “know-your-customer” and anti-money laundering rules and regulations, including information required by the Patriot Act and the Beneficial Ownership Regulation and (c)(c) the ratings by Moody’s and S&P of the continuing or surviving corporation’s or purchaser’s senior secured debt shall be at least the higher of (1) Baa3 from Moody’s and BBB- from S&P and (2) the ratings by such rating agencies of the Borrower’s senior secured debt in effect before the earlier of the occurrence or the public announcement of such event.

7.7 Dispositions. Dispose of (in one transaction or a series of transactions) any property or Dispose of any Capital Stock of any Subsidiary, except:

- a. Dispositions of property to a wholly-owned Subsidiary;
 - b. Dispositions of surplus, obsolete or worn out property, or property that is no longer useful, useable or economically viable in the conduct of the business;
 - c. Dispositions of inventory in the ordinary course of business;
 - d. Dispositions of property (other than Collateral) having a fair market value not to exceed \$25,000,000 (or the equivalent in any other currency) in the aggregate during the term of this Agreement;
 - e. Dispositions to the extent that (i) the relevant property subject to such Disposition is exchanged for, or for credit against the purchase price of, similar replacement property or (ii) the proceeds of the relevant Disposition are promptly applied to the purchase price of such replacement property;
 - f. Dispositions of property subject to foreclosure, casualty, eminent domain or condemnation proceedings (including in lieu thereof or any similar proceeding);
 - g. [Reserved];
 - h. Dispositions required to comply with any requirement of a Governmental Authority or a Requirement of Law;
 - i. Dispositions of cash and/or cash equivalents (including Permitted Cash Equivalents) in the ordinary course of business;
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- j. Dispositions of assets for the purpose of charitable contributions or similar gifts to the extent such assets are not material to the ability of the Borrower and its Subsidiaries, taken as a whole, to conduct its business;
- k. Dispositions permitted pursuant to Section 7.4 or Section 7.6;
- l. Dispositions of accounts receivable in connection with the collection or compromise thereof in the ordinary course of business, in an aggregate amount not to exceed \$50,000,000 in any fiscal year;
- m. any other Disposition of any property in the ordinary course of business; provided that (i) the consideration for such Disposition shall be at least equal to the fair market value of such property at the time of such Disposition, (ii) at least 75% of such consideration shall be in cash and/or cash equivalents and (iii) the aggregate amount (based upon the fair market value of such property) of all property sold or otherwise disposed pursuant to all such Dispositions on and after the Effective Date at the time of and after giving effect to any such Disposition does not exceed \$10,000,000.

7.8 Change in Nature of Business. Notwithstanding any other provisions hereof, engage at any time in any business or business activity other than any business or business activity conducted by any of them on the date hereof and any business or business activity incidental or related thereto, or any business or business activity that is reasonably similar thereto or a reasonable extension, development or expansion thereof or ancillary thereto.

7.9 Transactions with Affiliates. Sell or transfer any property or assets to, or purchase or acquire any property or assets from, or otherwise engage in any other transaction with any of its Affiliates; provided that this Section 7.9 shall not prohibit:

- a. any transaction among the Borrower and its Subsidiaries;
 - b. transactions in existence on the Effective Date and set forth on Schedule 7.9;
 - c. transactions otherwise permitted under Section 7.1 (other than Section 7.1(r)), Section 7.5, Section 7.6, Section 7.7 (other than Section 7.7(m)) and Section 7.12;
 - d. employment and severance arrangements (including equity incentive plans and employee benefit plans and arrangements) with their respective officers and employees in the ordinary course of business;
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- e. payment of customary fees and reasonable out of pocket costs to, and indemnities for the benefit of, directors, officers and employees in the ordinary course of business;
- f. any transaction or series of related transactions with an aggregate value or payment of \$10,000,000 or less; and
- g. any transaction on terms that are no less favorable to the Borrower or such Significant Subsidiary than could be obtained at the time in a comparable arm's length transaction from a Person who is not an Affiliate.

7.10 Burdensome Agreements. Directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Subsidiary to (a) pay dividends or make other distributions on its Capital Stock owned by the Borrower or any Subsidiary, or pay any Indebtedness owed to the Borrower or any Subsidiary (other than customary limits imposed by corporate law and fraudulent conveyance statutes), (b) make loans or advances to the Borrower or (c) transfer any of its assets or properties to the Borrower, except for such encumbrances or restrictions existing by reason of or under (i) any requirement of a Governmental Authority or a Requirement of Law, (ii) this Agreement and the other Loan Documents, (iii) customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of such Subsidiary and (iv) restrictions binding on any Subsidiary on the date it becomes a Subsidiary, provided such restrictions were not created in contemplation of such Person becoming a Subsidiary.

7.11 Use of Proceeds. Use the proceeds of the Loans in any manner other than as described in Section 4.12.

7.12 Restricted Payments. ~~(a)~~ ~~(a)~~ (a) Declare or pay any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, with respect to any Capital Stock of the Borrower, or (b) directly or indirectly redeem, purchase, retire, obtain the surrender of or otherwise acquire for value (or permit any Subsidiary to purchase or acquire) any Capital Stock of the Borrower or set aside any amount for any such purpose (all of the foregoing, "Restricted Payments"), except:

- i. ~~(i)~~ the Borrower may make any Restricted Payment required under the Plan of Reorganization as set forth on Schedule 7.12;
 - ii. ~~(ii)~~ the Borrower may pay any dividend or consummate any redemption within 60 days after the date of the declaration thereof or the provision of a redemption notice with respect thereto, as the case may be, if at the date of such declaration or notice, the dividend or redemption notice would have complied with this Section 7.12;
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- iii. ~~(iii)~~ the Borrower may declare and make dividend payments or other distributions payable solely in the common Capital Stock of the Borrower;
- iv. the Borrower may purchase, redeem or otherwise acquire Capital Stock issued by it (A) with the proceeds received from the substantially concurrent issue of new shares of its common Capital Stock or (B) upon the exercise of stock options or warrants if such Capital Stock represents a portion of the exercise price of such options or warrants; and
- v. ~~(v)~~ the Borrower may make any other Restricted Payment or incur any other obligation (contingent or otherwise) to do so provided that, at the time and after giving effect thereto, (A) no Default shall have occurred and be continuing and (B) the Borrower shall be in pro forma compliance with the financial covenants set forth in Section 7.2 (whether or not in effect, and, prior to the first test date thereunder, assuming the level applicable on such first date applies as of the date of such pro forma test) as of the last day of the most recently ended fiscal quarter for which financial statements have been delivered pursuant to Section 6.1.

7.13 Swap Agreements. Enter into any Swap Agreement, other than Swap Agreements entered into not for speculative purposes (a) to hedge or mitigate risks to which the Borrower and its Subsidiaries are exposed in the conduct of its business or the management of its liabilities (including, without limitation, raw material, commodities, fuel, electricity or other supply costs and currency risks), (b) to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or fixed rate or otherwise) with respect to any interest bearing Indebtedness of the Borrower and its Subsidiaries permitted by this Agreement, (c) to swap currency in connection with funding the business of the Borrower and its Subsidiaries in the ordinary course of business or (d) entered into in connection with any A/R Securitization Transaction.

7.14 Ownership of PG&E Utility Common Stock. Permit ownership by the Borrower, at any time, either directly, or indirectly through one or more Subsidiaries, of less than 100% of the outstanding common stock of PG&E Utility.

SECTION 8. EVENTS OF DEFAULT

If any of the following events shall occur and be continuing on or after the Effective Date:

- a. the Borrower shall fail to pay any principal of any Loan when due in accordance with the terms hereof; or the Borrower shall fail to pay any interest on any Loan or any other amount payable hereunder or under any other Loan Document, within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or
 - b. any representation or warranty made or deemed made by the Borrower herein or in any other Loan Document or that is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect on or as of the date made or deemed made, unless, as of any date of determination, the facts or circumstances to which such representation or warranty relates have changed with the result that such representation or warranty is true and correct in all material respects on such date; or
 - c. the Borrower shall default in the observance or performance of any agreement contained in Section 6.4(a) (i), Section 6.7(a), Section 7 (other than Section 7.4 and 7.13) of this Agreement; or
 - d. the Borrower shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Section), and such default shall continue unremedied for a period of 30 days after notice to the Borrower from the Administrative Agent at the request of the Required Lenders; or
 - e. the Borrower or any of its Significant Subsidiaries shall (i)(i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding the Loans) on the due date with respect thereto (after giving effect to any period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created); or (ii)(ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii)(iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or (in the case of all Indebtedness other than Indebtedness under any Swap Agreement) to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the
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case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate \$200,000,000; provided further, that unless payment of the Loans hereunder has already been accelerated, if such default shall be cured by the Borrower or such Significant Subsidiary or waived by the holders of such Indebtedness and any acceleration of maturity having resulted from such default shall be rescinded or annulled, in each case, in accordance with the terms of such agreement or instrument, without any modification of the terms of such Indebtedness requiring the Borrower or such Significant Subsidiary to furnish security or additional security therefor, reducing the average life to maturity thereof or increasing the principal amount thereof, or any agreement by the Borrower or such Significant Subsidiary to furnish security or additional security therefor or to issue in lieu thereof Indebtedness secured by additional or other collateral or with a shorter average life to maturity or in a greater principal amount, then any Default hereunder by reason thereof shall be deemed likewise to have been thereupon cured or waived; or

- f. (i)(i) the Borrower or any of its Significant Subsidiaries shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any of its Significant Subsidiaries shall make a general assignment for the benefit of its creditors; or (ii)(ii) there shall be commenced against the Borrower or any of its Significant Subsidiaries any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii)(iii) there shall be commenced against the Borrower or any of its Significant Subsidiaries any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the
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entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv)(iv) the Borrower or any of its Significant Subsidiaries shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

- g. there occurs any ERISA Event that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect; or
- h. one or more judgments or decrees shall be entered against the Borrower or any of its Significant Subsidiaries by a court of competent jurisdiction involving in the aggregate a liability (not paid or, subject to customary deductibles, fully covered by insurance as to which the relevant insurance company has not denied coverage) of \$200,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 45 days from the entry thereof unless, in the case of a discharge, such judgment or decree is due at a later date in one or more payments and the Borrower or such Significant Subsidiary satisfies the obligation to make such payment or payments on or prior to the date such payment or payments become due in accordance with such judgment or decree; or
- i. there shall have occurred a Change of Control; or
- j. (i) any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect, (ii) the Borrower contests in any manner in writing the validity or enforceability of any such Loan Document or the validity or perfection of any Lien on any Collateral purported to be covered by the Pledge Agreement, (iii) the Borrower denies in writing that it has any or further liability or obligation under any such Loan Document, or purports in writing to revoke, terminate or rescind any such Loan Document, (iv) with respect to the Pledge Agreement, the Collateral Agent shall not have or shall cease to have a valid and perfected Lien in the Collateral purported to be covered by the Pledge Agreement with the priority required by the Pledge Agreement.

then, and in any such event, (A)(A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (f) above with respect to the Borrower, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents shall immediately become due and payable, and (B)(B) if such event is any other Event of

Default, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; and (ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable. Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

SECTION 9. THE AGENTS

9.1 Appointment and Authority. Each of the Lenders hereby irrevocably appoints JPMorgan Chase Bank, N.A. to act on its behalf as the Administrative Agent and as the Collateral Agent hereunder and under the other Loan Documents and authorizes each Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section 9 are solely for the benefit of the Agents, the Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions (other than with respect to the Borrower's rights under Sections 9.9(a) and (b)). It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

9.2 Delegation of Duties. The Administrative Agent and Collateral Agent may each perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by it. The Administrative Agent, the Collateral Agent and any such sub-agent may each perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such sub-agent and to the Related Parties of the Administrative Agent, the Collateral Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent and the Collateral Agent. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that such Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.3 Exculpatory Provisions.

- a. No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, no Agent:
- i. shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
 - ii. shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that an Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and
 - iii. shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as an Agent or any of its Affiliates in any capacity.
- b. No Agent shall be liable for any action taken or not taken by it (i)(i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.1 and 8), or (ii)(ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment.
- c. No Agent shall be responsible for or have any duty to ascertain or inquire into (i)(i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii)(iii) the performance or observance of
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any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv)(iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v)(v) the satisfaction of any condition set forth in Section 5 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent.

9.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent and the Collateral Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent and the Collateral Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent or the Collateral Agent, as applicable, has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent and the Collateral Agent shall each take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders); provided that unless and until such Agent shall have received such directions, such Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

9.6 Non-Reliance on Agents and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or

not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent or the Collateral Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Borrower or any of its Affiliates that may come into the possession of such Agent or any of its officers, directors, employees, agents, attorneys in fact or Affiliates.

9.7 Indemnification. The Lenders agree to indemnify each Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's gross negligence or willful misconduct.

9.8 Agent in Its Individual Capacity. Each Person serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and the terms "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include such Person serving as an Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not an Agent hereunder and without any duty to account therefor to the Lenders.

9.9 Successor Agents.

- a. Each of the Administrative Agent and the Collateral Agent may resign upon 10 days' notice to the Lenders and the Borrower. If either such Agent shall so resign under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under
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Section 8(f) with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld, conditioned or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent or the Collateral Agent, as applicable,, and the term “Administrative Agent” or “Collateral Agent”, as applicable, shall mean such successor agent effective upon such appointment and approval, and the former Agent’s rights, powers and duties as Administrative Agent or Collateral Agent, as applicable, shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent or Collateral Agent, as applicable, by the date that is 10 days following a retiring Agent’s notice of resignation (the “Resignation Effective Date”), the retiring Agent’s resignation shall nevertheless thereupon become effective, and the Lenders shall assume and perform all of the duties of the Administrative Agent or Collateral Agent, as applicable, hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Agent’s resignation as Administrative Agent or Collateral Agent, as applicable, the provisions of Section 9.7 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was an Agent under this Agreement and the other Loan Documents.

- b. If the Person serving as Administrative Agent or Collateral Agent is a Defaulting Lender pursuant to clause (e) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent or Collateral Agent and, shall appoint a successor, subject to the approval of the Borrower (unless an Event of Default under Section 8(f) with respect to the Borrower shall have occurred and be continuing), which approval shall not be unreasonably withheld, conditioned or delayed. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.
 - c. With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i)(i) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any Collateral held by the Collateral Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed
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Collateral Agent shall continue to hold such Collateral until such time as a successor Collateral Agent is appointed) and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent or Collateral Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent or Collateral Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent or Collateral Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent or Collateral Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments or other amounts owed to the retiring or removed Agent as of the Resignation Effective Date or the Removal Effective Date (as applicable)), and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Section and Sections 2.17 and 10.5 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent.

9.10 Documentation Agents and Syndication Agents. None of the Documentation Agents or the Syndication Agents shall have any duties or responsibilities hereunder in its capacity as such.

9.11 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

- a. to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the

Lenders and the Administrative Agent under Sections 2.6, 2.17 and 10.5) allowed in such judicial proceeding; and

- b. to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.6, 2.17 and 10.5.

9.12 Collateral Matters.

- a. Each of the Lenders irrevocably authorize the Collateral Agent, at its option and in its discretion, to release any Lien on any property granted to or held by the Collateral Agent under any Loan Document in accordance with the terms of Section 10.21. Upon request by the Collateral Agent at any time, the Required Lenders will confirm in writing the Collateral Agent's authority to release its Liens in accordance with this Section 9.12.
 - b. Each of the Lenders irrevocably authorize the Collateral Agent and/or the Administrative Agent, at its option and in its discretion, to enter into any amendment, amendment and restatement, modification, supplement or waiver of any Loan Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, and to give effect to any intercreditor agreement reasonably satisfactory to the Collateral Agent or Administrative Agent associated therewith, or as required by local law to give effect to, or protect, any security interest for the benefit of the Secured Parties in any property or so that the security interests therein comply with applicable law or this Agreement or in each case to otherwise enhance the rights or benefits of any Lender under any Loan Document.
 - c. The Administrative Agent and/or the Collateral Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by the Borrower in connection therewith, nor shall the Administrative Agent or the Collateral Agent be responsible or
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liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

9.13 Credit Bidding. The Secured Parties hereby irrevocably authorize each of the Administrative Agent and the Collateral Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which the Borrower is subject, or (b) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent or Collateral Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the equity interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase).

9.14 Intercreditor Agreement; Pledge Agreement. Each of the Lenders hereby authorize the Administrative Agent to enter into the Pledge Agreement and any other intercreditor agreement or arrangement permitted under this Agreement and the Lenders acknowledge that the Pledge Agreement and any other such intercreditor agreement shall be binding upon the Lenders. Notwithstanding anything herein to the contrary, (i) the Liens granted to the Administrative Agent pursuant to the Security Documents are expressly subject to the Pledge Agreement and any intercreditor agreement entered into pursuant hereto and (ii) the exercise of any right or remedy by the Administrative Agent hereunder or under the Pledge Agreement and any other intercreditor agreement entered into pursuant hereto is subject to the limitations and provisions of any intercreditor agreement entered into pursuant hereto. In the event of any conflict between the terms of the Pledge Agreement or any such intercreditor agreement and the terms of this Agreement, the terms of the Pledge Agreement or such intercreditor agreement shall govern.

9.15 Certain ERISA Matters.

- a. Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:
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- i. such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,
 - ii. the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,
 - iii. (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or
 - iv. such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.
- b. In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y)
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covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

9.16 Erroneous Payment.

- a. If the Administrative Agent notifies a Lender or any Person who has received funds on behalf of a Lender, such Lender (any such Lender or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.
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- b. Without limiting immediately preceding clause (a), each Lender, or any Person who has received funds on behalf of a Lender, such Lender, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:
- i. (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
 - ii. such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 9.13(b).
- c. Each Lender hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.
- d. The Borrower hereby agrees that in the event an Erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount.
- e. The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower, except, in each case, to the extent such Erroneous
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Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower for the purpose of making such Erroneous Payment.

- f. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.
- g. Each party’s obligations, agreements and waivers under this Section 9.13 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

SECTION 10. MISCELLANEOUS

10.1 Amendments and Waivers. Subject to Section 2.13(b) and (c), neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 10.1. The Required Lenders and the Borrower may, or, with the written consent of the Required Lenders, the Administrative Agent and the Borrower may, from time to time, (a)(a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Borrower hereunder or thereunder or (b)(b) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

- i. forgive the principal amount or extend the final scheduled date of maturity of any Loan, reduce the stated rate of any interest or fee payable hereunder (except in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Lenders)) or extend the scheduled date of any payment thereof, or increase the amount or extend the expiration date of any Lender’s Commitment, in each case without the written consent of each Lender directly affected thereby (except that only the Lenders who are increasing their Commitments are required to consent to
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a request by the Borrower under Section 2.3 to increase the Total Commitments);

- ii. eliminate or reduce the voting rights of any Lender under this Section 10.1 or Section 10.6(a)(i) without the written consent of such Lender;
- iii. reduce any percentage specified in the definition of Required Lenders without the written consent of all Lenders;
- iv. amend, modify or waive any provision of Section 2.14 or any similar provision in the Loan Documents related to pro rata treatment without the consent of each Lender directly affected thereby;
- v. amend, modify or waive any provision of Section 9 without the written consent of the Administrative Agent and the Collateral Agent;
- vi. amend, modify or waive the order of payments required by, or the scope of the Obligations receiving the benefit of or the scope of the proceeds or other amounts subject to the Priority Waterfall in a manner that by its terms adversely affects Loans and Obligations that have priority under the Priority Waterfall without the consent of each Lender holding such adversely affected Loans and Obligations;
- vii. amend, modify or waive any provision of Section 5.1 without the written consent of all the Lenders; or
- viii. release all or substantially all of the Collateral (except as expressly permitted hereunder or under the Security Documents) without the written consent of all the Lenders.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Borrower, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Borrower, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

Notwithstanding anything to the contrary contained in this Section 10.1, if the Administrative Agent and the Borrower acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then the Administrative Agent and the Borrower shall be

permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and any such amendment, modification or supplement shall become effective without any further action or consent of any other party to this Agreement.

If the Required Lenders shall have approved any amendment which requires the consent of all of the Lenders, the Borrower shall be permitted to replace any non-consenting Lender with another financial institution, provided that, (i) the replacement financial institution shall purchase at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (ii) the Borrower shall be liable to such replaced Lender under Section 2.17 if any **Eurodollar Term Benchmark** Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto (as if such purchase constituted a prepayment of such Loans), (iii) such replacement financial institution, if not already a Lender, shall be reasonably satisfactory to the Administrative Agent, (iv) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein) and (v) any such replacement shall not be deemed to be a waiver of any rights the Borrower, the Administrative Agent, the Collateral Agent or any other Lender shall have against the replaced Lender.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, supplement, modification, waiver or consent hereunder (and any amendment, supplement, modification, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (i) (x) an increase or extension of the Commitment of such Defaulting Lender, or (y) any reduction of the amount of principal or interest owed to such Defaulting Lender shall, in each case, require the consent of such Defaulting Lender, and (ii) a Defaulting Lender's Percentage shall be taken into consideration along with the Percentage of non-Defaulting Lenders when voting to approve or disapprove any waiver, amendment or modification that by its terms affects any Defaulting Lender more adversely than other affected Lenders.

10.2 Notices.

- a. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered during the recipient's normal business hours, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received during the recipient's normal business hours, addressed as follows in the case of the Borrower, the Administrative Agent and the Collateral Agent, and as set forth in an administrative questionnaire delivered to the Administrative Agent in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:
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Borrower: PG&E Corporation P.O. Box 770000 San Francisco, California 94177 Attention: Treasurer Telecopy: (415) 973-8968
Telephone: (415) 973-8956

with a copy to: PG&E Corporation P.O. Box 770000 San Francisco, California 94177 Attention: General Counsel Telecopy:
(415) 973-5520

Administrative Agent: JPMorgan Chase Bank, N.A.
500 Stanton Christiana Road
NCC 5, 1st Floor
Newark, DE 19713-2107
Attention: Mary Crews
Telecopy: (302) 634-5758
Telephone: (302) 634-1417
Email: mary.crews@jpmorgan.com

Collateral Agent: JPMorgan Chase Bank, N.A.
CIB DMO WLO
Mail code NY1-C413
4 CMC, Brooklyn, NY, 11245-0001
United States
Email: ib.collateral.services@jpmchase.com

provided that any notice, request or demand to or upon the Administrative Agent or any Lender shall not be effective until received.

- b. Notices and other communications to the Administrative Agent or the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and each Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.
 - c. Unless the Administrative Agent otherwise prescribes, (i)(i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii)(ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or
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other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

d.

- i. The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform").
- ii. The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Communications through the Platform, except to the extent such liability resulted from the gross negligence or willful misconduct of the Administrative Agent or any of its Related Parties as determined by a court of competent jurisdiction in a final non-appealable judgment. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

10.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy,

power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5 Payment of Expenses and Taxes. The Borrower agrees (a)(a) to pay or reimburse the Administrative Agent, the Collateral Agent the Lenders for all their respective reasonable out of pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements of only one joint counsel and one joint special California counsel and, if necessary, one joint local counsel in each other relevant jurisdiction to the Administrative Agent and the Lenders (and in the case of an actual or perceived conflict of interest, one additional counsel for each applicable jurisdiction to each group of similarly situated affected persons) and filing and recording fees and expenses, with statements with respect to the foregoing to be submitted to the Borrower prior to the Effective Date (in the case of amounts to be paid on the Effective Date) and from time to time thereafter on a quarterly basis or such other periodic basis as the Administrative Agent shall deem appropriate, (b)(b) to pay or reimburse each Lender, the Collateral Agent and the Administrative Agent for all its costs and expenses incurred in connection with the enforcement or preservation of its rights under this Agreement, the other Loan Documents and any such other documents, including the reasonable fees and disbursements of only one joint counsel, one joint special California counsel and, if necessary, one local counsel in each other relevant jurisdiction to the Administrative Agent and the Lenders (and in the case of an actual or perceived conflict of interest, one additional counsel for each applicable jurisdiction to each group of similarly situated affected persons), and (c)(c) to pay, indemnify, and hold each Lender, the Collateral Agent, the Administrative Agent and their respective Affiliates and their respective officers, directors, employees and agents (each, an “Indemnitee”) harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever whether brought by the Borrower or any other Person, with respect to the execution, delivery, enforcement and performance of, or arising out of or in connection with, this Agreement, the other Loan Documents and any such other documents, including any of the foregoing relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law directly or indirectly relating to the Borrower, its Significant Subsidiaries or any of the facilities and properties owned, leased or operated by the Borrower or its Significant Subsidiaries and the reasonable, documented and invoiced fees and expenses of one joint counsel and one joint special California counsel and, if necessary, one joint local counsel in each other relevant jurisdiction to the applicable Indemnitee (and in the case of an actual or

perceived conflict of interest, one additional counsel for each applicable jurisdiction to each group of similarly situated affected persons), in connection with claims, actions or proceedings by any Indemnatee against the Borrower under any Loan Document (all the foregoing in this clause (c), collectively, the “Indemnified Liabilities”), provided, that the Borrower shall have no obligation hereunder to any Indemnatee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities resulted from, as determined in a final non-appealable judgment by a court of competent jurisdiction, (x) the gross negligence, bad faith or willful misconduct of such Indemnatee or its Affiliates, (y) the material breach of such Indemnatee’s funding obligations hereunder or (z) a dispute amongst one or more Lenders not arising from the Borrower’s breach of its obligations under the Loan Documents (other than a dispute involving a claim against an Indemnatee for its acts or omissions in its capacity as an arranger, bookrunner, agent or similar role in respect of the Loan Agreement, except, to the extent such acts or omissions are determined by a court of competent jurisdiction by a final and non-appealable judgment to have constituted the gross negligence, bad faith or willful misconduct of such Indemnatee in such capacity). Without limiting the foregoing, and to the extent permitted by applicable law, the Borrower agrees not to assert and to cause its Significant Subsidiaries not to assert, and hereby waives and agrees to cause its Significant Subsidiaries to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnatee. All amounts due under this Section 10.5 shall be payable not later than 30 days after written demand therefor, subject to the Borrower’s receipt of reasonably detailed invoices. Statements payable by the Borrower pursuant to this Section 10.5 shall be submitted to Treasurer (Telephone No. (415) 817-8199/(415) 267-7000) (Telecopy No. (415) 267-7265/7268), at the address of the Borrower set forth in Section 10.2(a) with a copy to Chief Counsel, Corporate (Telephone No. (415) 817-8200) (Telecopy No. (415) 817-8225), at the address of the Borrower set forth in Section 10.2(a), or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Administrative Agent. The agreements in this Section 10.5 shall survive for two years after repayment of the Loans and all other amounts payable hereunder. This Section 10.5 shall not apply with respect to Taxes, other than Taxes that represent claims, damages, losses, liabilities, costs or expenses arising from non-Tax claims.

10.6 Successors and Assigns; Participations and Assignments.

- a. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i)(i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii)(ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.6.
 - b.
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- c.
- i. Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (each, an “Assignee”) other than a Defaulting Lender, any Subsidiary of a Defaulting Lender, any natural person (or holding company, investment vehicle or trust for, or owned or operated by or for the primary benefit of, one or more natural persons), the Borrower or any of the Borrower’s Affiliates or Subsidiaries, all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:
 - A. the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender (or an Affiliate of any Lender) or an Approved Fund or, if an Event of Default under Section 8(a), (e) or (f) has occurred and is continuing, any other Person, and provided further, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof from the assigning Lender (with a copy to the Administrative Agent); and
 - B. the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment of any Commitment or Loan to an Assignee that is a Lender (or an Affiliate of a Lender) with a Commitment or Loan immediately prior to giving effect to such assignment.
 - ii. Assignments shall be subject to the following additional conditions:
 - A. except in the case of an assignment to a Lender, an Eligible Assignee that is an Affiliate of any Lender or an assignment of the entire remaining amount of the assigning Lender’s Commitments or Loans, the amount of the Commitments or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$10,000,000 (or, if such Assignee is an
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Eligible Assignee that is an Affiliate of a Lender, \$5,000,000) unless each of the Borrower and the Administrative Agent otherwise consent, provided that (1) no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing and (2) with respect to any Lender party to this Agreement on the Effective Date, such amounts shall be aggregated in respect of such Lender and any Affiliate of such Lender that is an Eligible Assignee;

- B. the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; and
- C. the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire.

In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the Assignee of participations or sub-participations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable Assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the Assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

iii. Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, shall have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party

hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 10.5 but shall be subject to the limitations set forth therein); provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from the Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

vi. The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower (and such agency being solely to establish that the relevant obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations), shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

v. Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

c.

i. Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (other than a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the

Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to the proviso to the second sentence of Section 10.1 and (2) directly affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section.

- ii. Notwithstanding anything to the contrary herein, a Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent to such greater payments. Any Participant that is a Foreign Lender shall not be entitled to the benefits of Section 2.16 unless such Participant complies with Section 2.16(e).
 - iii. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.
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d. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank having jurisdiction over such Lender, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

e. The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (d) above.

f. Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Borrower or the Administrative Agent and without regard to the limitations set forth in Section 10.6(b). Each of the Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage, expense, obligations, penalties, actions, judgments, suits or any kind whatsoever arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance.

g. Notwithstanding anything to the contrary in this Section, none of the Agents, in their capacity as Lenders, will assign without the consent of the Borrower, prior to the Effective Date, any of the Commitments held by them on the Effective Date.

h. Notwithstanding anything to the contrary in this Section 10.6, for the avoidance of doubt, Goldman Sachs Bank USA may assign any amount of its Commitments or Loans hereunder to Goldman Sachs Lending Partners LLC (or vice versa) without the prior written consent of any other Person.

10.7 Adjustments; Set off.

- a. Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender, if any Lender (a “Benefitted Lender”) shall receive any payment of all or part of the Obligations owing to it hereunder, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set off, pursuant to events or proceedings of the nature referred to in Section 8(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender
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hereunder, such Benefitted Lender shall purchase for cash from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender hereunder, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

- b. In addition to any rights and remedies of the Lenders provided by law, including other rights of set-off, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise), after any applicable grace period, to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch, Affiliate or agency thereof to or for the credit or the account of the Borrower; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.20 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.8 Counterparts; Electronic Execution; Binding Effect. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of an original executed counterpart hereof. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such

contract or record, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent and the Lenders, electronic images of this Agreement or any other Loan Documents (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto. This Agreement shall become binding on the parties hereto when it shall have been executed by the Administrative Agent and the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

10.9 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.9, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.10 Integration. This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Administrative Agent, the Collateral Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent, the Collateral Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

10.11 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12 Submission To Jurisdiction; Waivers. The Borrower hereby irrevocably and unconditionally:

- a. submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof;
- b. consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;
- c. agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower at its address set forth in Section 10.2(a) or at such other address of which the Administrative Agent shall have been notified pursuant thereto;
- d. agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and
- e. waives, to the maximum extent not prohibited by law, and agrees not to assert any right it may have to claim or recover in any legal action or proceeding relating to this Agreement or any other Loan Document any special, exemplary, punitive or consequential damages.

NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, THE COLLATERAL AGENT or ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

10.13 Acknowledgments. The Borrower hereby acknowledges that:

- a. it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;
 - b. none of the Administrative Agent, the Collateral Agent or any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Administrative Agent, the Collateral Agent and Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and
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- c. no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and the Lenders.

10.14 Confidentiality. Each of the Administrative Agent, the Collateral Agent and each Lender agrees to keep confidential in accordance with such party's customary practices (and in any event in compliance with applicable law regarding material non-public information) all non-public information provided to it by the Borrower, the Administrative Agent, the Collateral Agent or any Lender pursuant to or in connection with this Agreement that is designated by the provider thereof as confidential; provided that nothing herein shall prevent the Administrative Agent or any Lender from disclosing any such information (a)(a) to the Administrative Agent, the Collateral Agent, any other Lender or any Affiliate thereof, (b)(b) subject to an agreement to comply with the provisions of this Section or substantially equivalent provisions, to any actual or prospective Transferee, any direct or indirect counterparty to any Swap Agreement (or any professional advisor to such counterparty) or any credit insurance providers, (c)(c) to its employees, directors, agents, attorneys, service providers, accountants and other professional advisors or those of any of its Affiliates (as long as such attorneys, service providers, accountants and other professional advisors are directed to comply with confidentiality requirements substantially equivalent to this Section), (d)(d) upon the request or demand of any Governmental Authority, (e)(e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f)(f) if requested or required to do so in connection with any litigation or similar proceeding, (g)(g) that has been publicly disclosed, (h)(h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, (i)(i) in connection with the exercise of any remedy hereunder or under any other Loan Document, (j) any rating agency in connection with rating of the Borrower or its Subsidiaries or the credit facilities provided hereunder or (k) to the extent such information (i) becomes available to the Administrative Agent, the Collateral Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower or its Subsidiaries or (ii) is independently discovered or developed by a party hereto without utilizing any information received from the Borrower or its Subsidiaries or violating the terms of this Section 10.14, provided that, in the case of clauses (d), (e) and (f) of this Section 10.14, with the exception of disclosure to bank regulatory authorities, the Borrower (to the extent legally permissible) shall be given prompt prior notice so that it may seek a protective order or other appropriate remedy.

10.15 WAIVERS OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

10.16 USA Patriot Act; Beneficial Ownership Regulation. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Patriot Act”), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

10.17 Judicial Reference. If any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Loan Document, (i)(i) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a “provisional remedy” as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (ii)(ii) without limiting the generality of Section 10.5, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

10.18 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that: (i)(i) (A) the arranging and other services regarding this Agreement provided by the Agents, the Arrangers and the Lenders are arm’s-length commercial transactions between the Borrower, on the one hand, and the Agents, the Arrangers and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii)(ii) (A) each Agent, Arranger and Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any other Person and (B) none of the Agents, Arrangers or Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) (iii) the Agents, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Agents, Arrangers or Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agents, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby other than a breach of the confidentiality provisions set forth in Section 10.14.

10.19 Acknowledgement Regarding Any Supported QFCs.

- a. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):
- b. In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.▪

10.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- a. the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder
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which may be payable to it by any party hereto that is an Affected Financial Institution; and

- b. the effects of any Bail-In Action on any such liability, including, if applicable:
 - i. a reduction in full or in part or cancellation of any such liability;
 - ii. a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - iii. the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

10.21 Release of Liens.

- a. Upon the termination of the Commitments and the payment in full in cash of the Obligations (other than contingent Obligations not yet due and payable), the Collateral shall be automatically released from any Liens created by the Security Documents.
 - b. The following Collateral shall be automatically released from the Liens created by the Security Documents without delivery of any instrument or performance of any act by any Person:
 - i. upon a Disposition of Collateral permitted hereunder or any other Loan Document to a Person other than the Borrower or its Subsidiaries, such Collateral; or
 - ii. upon the approval in writing by the Required Lenders of the release of the Liens on any Collateral not constituting all or substantially all of the Collateral, such Collateral.
 - c. In connection with the termination or release of Collateral from the Liens created by the Security Documents, the Collateral Agent shall (i) execute and deliver to the Borrower at the Borrower's expense, all documents that the Borrower shall reasonably request to evidence such termination or release and (ii) return to the Borrower, any possessory Collateral that is in the possession of the Collateral Agent and is the subject of such release (provided that, upon request by the Collateral Agent, the Borrower shall deliver to the Collateral Agent a certificate of a Responsible Officer
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certifying that such transaction has been or was consummated in compliance with the Loan Documents).

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and
PG&E CORPORATION

By:

Name:

Title:

duly authorized officers as of the day and year first above written.

JPMORGAN CHASE BANK, N.A. as Administrative Agent and as a
Lender

By: _____

Name:

Title:

JPMORGAN CHASE BANK, N.A. as Collateral Agent

By: _____

Name:

Title:

BANK OF AMERICA, N.A. as a Lender

By: _____

Name:

Title:

BARCLAYS BANK PLC as a Lender

By: _____

Name:

Title:

CITIBANK, N.A. as a Lender

By: _____

Name:

Title:

CITICORP NORTH AMERICA, INC. as a Lender

By: _____

Name:

Title:

GOLDMAN SACHS BANK USA as a Lender

By: _____

Name:

Title:

BNP PARIBAS as a Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH as a Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

MIZUHO BANK, LTD. as a Lender

By: _____
Name:
Title:

MUFG UNION BANK, N.A. as a Lender

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION as a Lender

By: _____
Name:
Title:

BANK OF MONTREAL, CHICAGO BRANCH as a Lender

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON as a Lender

By: _____
Name:
Title:

AMENDMENT NO. 2 TO CREDIT AGREEMENT

This AMENDMENT NO. 2 TO CREDIT AGREEMENT, dated as of October 4, 2022 (this “Amendment”), is entered into by and among PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (the “Borrower”), the Consenting Lenders, each Issuing Lender and CITIBANK, N.A. (“CBNA”), as administrative agent (in such capacity and including any successors in such capacity, the “Administrative Agent”) and CBNA, as designated agent (in such capacity and including any successors in such capacity, the “Designated Agent”).

RECITALS:

WHEREAS, reference is hereby made to the Credit Agreement, dated as of July 1, 2020, among the Borrower, the lenders party thereto from time to time, the Administrative Agent, the Designated Agent and the other parties thereto (as amended by Amendment No. 1 to Credit Agreement dated as of June 22, 2021, the “Credit Agreement”, capitalized terms used (including in the preamble and recitals hereto) but not defined herein shall have the meanings assigned to such terms in the Credit Agreement (as amended hereby));

WHEREAS, each Lender holding Commitments (the “Existing Commitments”) immediately prior to the Amendment No. 2 Effective Date (the Lenders with Existing Commitments, the “Existing Lenders”) that executes and delivers an executed counterpart to this Amendment agrees to the terms of this Amendment upon the effectiveness of this Amendment on the Amendment No. 2 Effective Date (such lenders, the “Consenting Lenders”), whereby the Borrower shall have exercised one of its extension options under the Credit Agreement (as in effect prior to the Amendment No. 2 Effective Date) to extend the maturity date of the Loans held by such Consenting Lenders from June 22, 2026 to June 22, 2027;

WHEREAS, JPMorgan Chase Bank, N.A. (or an Affiliate thereof) is acting as a joint lead arranger and bookrunner (in such capacity, the “Left Lead Arranger”) in respect of this Amendment and CBNA, Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC are acting as joint lead arrangers and bookrunners (in such capacities, together with the Left Lead Arranger, the “Lead Arrangers”) in respect of this Amendment; and

WHEREAS, this Amendment is an amendment made with the consent of the Consenting Lenders, each Issuing Lender, the Borrower and the Designated Agent pursuant to Section 10.1 of the Credit Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto hereby agree as follows:

(i) **Commitment Increase.** The requirements of Section 2.3 of the Credit Agreement are hereby waived to the extent that such Section requires prior notice to effect an increase in the Commitment of any Lender. After giving effect to this Amendment, each of the Consenting Lenders agrees that its respective Commitment shall be as set forth on Schedule I. The execution of this Amendment is evidence of the consent of the Borrower, the Lenders party hereto, each Issuing Lender and the Designated Agent of each Consenting Lender’s Commitment as set forth on Schedule I.

(ii) **Amendments to Credit Agreement.**

a. On the Amendment No. 2 Effective Date (as defined below), the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached as Exhibit A hereto.

b. On the Amendment No. 2 Effective Date, Schedule 1.1 to the Credit Agreement is hereby deleted in its entirety and Schedule I to this Amendment is hereby substituted in place thereof. On the Amendment No. 2 Effective Date, the outstanding Loans shall be allocated in accordance with the Commitments set forth in such Schedule I attached to this Amendment.

c. On the Amendment No. 2 Effective Date, each Consenting Lender hereby agrees to provide a Commitment in the amounts set forth on Schedule I attached to this Amendment. From and after the Amendment No. 2 Effective Date, each Consenting Lender agrees to continue to be a Lender for all purposes of the Credit Agreement, and each reference to the Lenders in the Credit Agreement shall be deemed to include each of the Consenting Lenders.

(iii) **Conditions Precedent.** This Amendment shall become effective as of the date first above written when, and only when, each of the following conditions precedent shall have been satisfied or, to the extent permitted under the Credit Agreement, waived (the “Amendment No. 2 Effective Date”):

1. **Executed Counterparts.** The Designated Agent shall have received a counterpart to this Amendment duly executed by the Borrower, the Consenting Lenders (which shall constitute all Lenders as of the date hereof immediately prior to and after giving effect to the Amendment No. 2 Effective Date) and the Designated Agent;

2. **Organizational Documents; Certificates.** The Designated Agent shall have received (i) a certificate of the Borrower, dated the Amendment No. 2 Effective Date (with a recent short-form good standing certificate of the Borrower), similar to the one delivered pursuant to Section 5.1(f) of the Credit Agreement, with appropriate insertions and attachments and (ii) a certificate of a Responsible Officer, dated the Amendment No. 2 Effective Date, confirming the satisfaction of the conditions precedent set forth in clauses (3), (4) and (8) below;

3. **Representations and Warranties.** The representations and warranties of the Borrower contained in Section 4 of the Credit Agreement (other than Section 4.2) shall be true and correct in all material respects immediately prior to and immediately after giving effect to this Amendment; *provided* that each of such representations and warranties that contains a materiality qualification shall be true and correct on and as of the Amendment No. 2 Effective Date (or, to the extent such representations and warranties specifically relate to an earlier date, such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date);

4. **No Default.** No Default or Event of Default shall have occurred and be continuing immediately prior to, and immediately after giving effect to, the Amendment No. 2 Effective Date;

5. **Fees and Expenses.** On or prior to the Amendment No. 2 Effective Date, the Borrower shall have paid (i) all reasonable out-of-pocket costs and expenses of the Designated Agent and the Lead Arrangers required to be paid or reimbursed by the Borrower in connection with the preparation, negotiation, execution and delivery of this Amendment and related documentation (including, in each case, without limitation, the reasonable fees and disbursements of counsel for the Designated Agent and the Lead Arrangers with respect thereto) and (ii) all other fees then due and payable to the Designated Agent or Lead Arrangers in connection with this Amendment, in each case, for which invoices have been presented (including the reasonable fees and expenses of legal counsel) on or before the date that is two (2) Business Days prior to the Amendment No. 2 Effective Date;

6. **KYC Information.** At least three (3) Business Days prior to the Amendment No. 2 Effective Date, the Designated Agent and each Lender shall have received all documentation and information relating to the Borrower as is reasonably requested in writing by the Designated Agent and/or any such Lender at least ten (10) Business Days prior to the Amendment No. 2 Effective Date that is required by Governmental Authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation. If the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation and the Designated Agent or any Lender so request at least five (5) Business Days prior to the Amendment No. 2 Effective Date, then at least three (3) Business Days prior to the Amendment No. 2 Effective Date, the Borrower shall have delivered to the Designated Agent and/or any such Lender a Beneficial Ownership Certification in relation to the Borrower;

7. **Legal Opinions.** The Designated Agent shall have received the legal opinion of Hunton Andrews Kurth LLP, counsel to the Borrower, in a form reasonably satisfactory to the Designated Agent;

8. **Material Adverse Effect.** Since December 31, 2021, no Material Adverse Effect has occurred;

9. **Bond Documents.** The Borrower shall have caused to be issued to the Designated Agent a new First Mortgage Bond (the “New FMB”) in the amount of \$4,400,000,000, such that the aggregate principal amount of the Senior Bonds will, when taken together, equal the Total Commitment (after giving effect to this Amendment). Upon receipt of the New FMB, the Designated Agent shall return to the Borrower the original First Mortgage Bond in the amount of \$4,000,000,000 issued on the Effective Date. In addition, the Designated Agent shall have received:

- (i) a Bond Delivery Agreement with respect to the New FMB, duly executed and delivered by the Borrower and Designated Agent;
- (ii) a Senior Bond in a face amount equal to \$4,400,000,000, duly issued and authenticated under the FMB Indenture and in a form reasonably satisfactory to the Designated Agent;
- (iii) a Supplemental Indenture with respect to the New FMB, duly executed and delivered by the Borrower and the Indenture Trustee and in a form reasonably satisfactory to the Designated Agent;
- (iv) a certificate of a duly authorized officer of the Indenture Trustee certifying that such Senior Bond has been authenticated and is outstanding under the FMB Indenture;
- (v) copies of all legal opinions and other documents delivered to the Indenture Trustee by or on behalf of the Borrower on or prior to the Amendment No. 2 Effective Date in connection with the issuance of such Senior Bond; and
- (vi) copies of all title reports and commitments, if any, as of the Amendment No. 2 Effective Date with respect to the Mortgaged Property consisting of real property as to which Liens in favor of the Indenture Trustee, for the benefit of the holders of the New FMB, has been granted; and

10. **Breakage Waiver.** Each Lender hereby waives, solely in connection with the conversion from the Eurodollar Rate to Term SOFR Rate pursuant to this Amendment, the applicability of Section 2.17 of the Credit Agreement.

(iv) **Other Terms.**

(v) **Reference to the Effect on the Loan Documents.**

i. As of the Amendment No. 2 Effective Date, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein,” or words of like import, and each reference in the other Loan Documents to the “Credit Agreement” (including, without limitation, by means of words like “thereunder,” “thereof” and words of like import), shall mean and be a reference to the Credit Agreement as amended hereby, and this Amendment and the Credit Agreement shall be read together and construed as a single instrument.

ii. Except as expressly amended hereby or specifically waived above, all of the terms and provisions of the Credit Agreement and all other Loan Documents are and shall remain in full force and effect and are hereby ratified and confirmed.

iii. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders, the Borrower, the Lead Arrangers or the Designated Agent under any of the Loan Documents, nor constitute a waiver or amendment of any other provision of any of the Loan Documents or for any purpose except as expressly set forth herein.

iv. This Amendment is a Loan Document.

(vi) **Execution in Counterparts.** This Amendment may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed

shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of (x) this Amendment and/or (y) any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Amendment and/or the transactions contemplated hereby (each an “Ancillary Document”) that is an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record (each, an “Electronic Signature”) transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be.

- (vii) **Ratification.** This Amendment shall be effective pursuant to Sections 10.1 of the Credit Agreement (and approved and ratified by all of the Lenders and the Designated Agent for all purposes under the Loan Documents) to the extent this Amendment is signed by each of the Lenders and the Designated Agent.
- (viii) **Governing Law.** THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.
- (ix) **Section Titles.** The section titles contained in this Amendment are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto, except when used to reference a section.
- (x) **Notices.** All communications and notices hereunder shall be given as provided in the Credit Agreement.
- (xi) **Severability.** The fact that any term or provision of this Amendment is held invalid, illegal or unenforceable as to any person in any situation in any jurisdiction shall not affect the validity, enforceability or legality of the remaining terms or provisions hereof or the validity, enforceability or legality of such offending term or provision in any other situation or jurisdiction or as applied to any person.
- (xii) **Successors.** The terms of this Amendment shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.
- (xiii) **Jurisdiction; Waiver of Jury Trial.** The jurisdiction and waiver of right to trial by jury provisions in Section 10.12 and Section 10.15, respectively, of the Credit Agreement are incorporated herein by reference *mutatis mutandis*.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Amendment as of the date first set forth above.

PACIFIC GAS AND ELECTRIC COMPANY,
as the Borrower

By: /s/ Margaret K. Becker

Name: Margaret K. Becker

Title: Vice President and Treasurer

CITIBANK, N.A.,
as Administrative Agent, Designated Agent, an
Issuing Lender and as a Consenting Lender

By: /s/ Richard Rivera

Name: Richard Rivera

Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as an Issuing Lender and as a Consenting
Lender

By: /s/ Arina Mavilian

Name: Arina Mavilian

Title: Executive Director

BANK OF AMERICA, N.A., as an Issuing
Lender and as a Consenting Lender

By: /s/ Dee Dee Farkas

Name: Dee Dee Farkas

Title: Managing Director

BARCLAYS BANK PLC, as an Issuing Lender
and as a Consenting Lender

By: /s/ Sydney G. Dennis

Name: Sydney G. Dennis

Title: Director

GOLDMAN SACHS BANK USA, as an
Issuing Lender and as a Consenting Lender

By: /s/ Thomas Manning

Name: Thomas Manning

Title: Authorized Signatory

BNP PARIBAS, as an Issuing Lender and as a
Consenting Lender

By: /s/ Denis O'Meara

Name: Denis O'Meara

Title: Managing Director

By: /s/ Victor Padilla

Name: Victor Padilla

Title: Vice President

CREDIT SUISSE AG, NEW YORK BRANCH,
as an Issuing Lender and as a Consenting
Lender

By: /s/ Doreen Barr

Name: Doreen Barr

Title: Authorized Signatory

By: /s/ Michael Dieffenbacher

Name: Michael Dieffenbacher

Title: Authorized Signatory

Mizuho Bank, Ltd., as an Issuing Lender and as
a Consenting Lender

By: /s/ Edward Sacks

Name: Edward Sacks

Title: Authorized Signatory

MUFG UNION BANK, N.A., as a Consenting
Lender

By: /s/ Nietzsche Rodricks

Name: Nietzsche Rodricks

Title: Managing Director

Wells Fargo Bank, National Association, as an
Issuing Lender and as a Consenting Lender

By: /s/ Gregory R. Gredvig

Name: Gregory R. Gredvig

Title: Director

Bank of Montreal, as an Issuing Lender and as a
Consenting Lender

By: /s/ Michael Cummings

Name: Michael Cummings

Title: Managing Director

THE BANK OF NEW YORK MELLON, as a
Consenting Lender

By: /s/ Molly H. Ross

Name: Molly H. Ross

Title: Vice President

Bank of China, Los Angeles Branch, as a
Consenting Lender

By: /s/ Yong Ou

Name: Yong Ou

Title: SVP & Branch Manager

SUMITOMO MITSUI BANKING
CORPORATION, as a Consenting Lender

By: /s/ Suela Von Barga

Name: Suela Von Barga

Title: Director

SCHEDULE I**Commitments**

Lender	Commitment	L/C Pro Rata Commitment
JPMorgan Chase Bank, N.A.	\$436,000,000.00	\$150,000,000.00
Bank of America, N.A.	\$403,500,000.00	\$150,000,000.00
Barclays Bank PLC	\$403,500,000.00	\$150,000,000.00
Citibank, N.A.	\$403,500,000.00	\$150,000,000.00
Goldman Sachs Bank USA	\$403,500,000.00	\$150,000,000.00
Wells Fargo Bank, National Association	\$403,500,000.00	\$150,000,000.00
BNP Paribas	\$296,400,000.00	\$100,000,000.00
Credit Suisse AG, New York Branch	\$296,400,000.00	\$100,000,000.00
Mizuho Bank, Ltd.	\$296,400,000.00	\$100,000,000.00
Bank of Montreal, Chicago Branch	\$296,400,000.00	\$100,000,000.00
MUFG Union Bank, N.A.	\$296,400,000.00	N/A
Sumitomo Mitsui Banking Corporation	\$204,200,000.00	N/A
Bank of China, Los Angeles Branch	\$150,000,000.00	N/A
The Bank of New York Mellon	\$110,300,000.00	N/A
Total	\$4,400,000,000.00	\$1,300,000,000.00

EXHIBIT A

Attached.

~~\$4,000,000,000~~ \$4,400,000,000
CREDIT AGREEMENT

among

PACIFIC GAS AND ELECTRIC COMPANY, as Borrower,

the Several Lenders from Time to Time Parties Hereto,

CITIBANK, N.A., as Administrative Agent and Designated Agent,

BOFA SECURITIES, INC.,
BARCLAYS BANK PLC,
GOLDMAN SACHS BANK USA,
WELLS FARGO BANK, NATIONAL ASSOCIATION and as Co-Syndication Agents,

and

BNP PARIBAS,
CREDIT SUISSE AG, NEW YORK BRANCH,
MIZUHO BANK, LTD.,
MUFG UNION BANK, N.A., and
BANK OF MONTREAL, CHICAGO BRANCH
as Co-Documentation Agents

Dated as of July 1, 2020

as amended by Amendment No. 1 to Credit Agreement, dated as of June 22, 2021

and as amended by Amendment No. 2 to Credit Agreement, dated as of October 4, 2022

JPMorgan Chase Bank, N.A.,
BofA Securities, Inc.,
Barclays Bank PLC,
Citibank, N.A.
Goldman Sachs Bank USA and
Wells Fargo Securities, LLC
as Joint Lead Arrangers and
Joint Bookrunners

TABLE OF CONTENTS

Page

Section 1.....	DEFINITIONS.....	1
1.1.....	Defined Terms.....	1
1.2.....	Other Definitional Provisions and Interpretative Provisions.....	30 32
1.3.....	Divisions.....	31 33
1.4.....	Interest Rates; LIBOR Benchmark Notification.....	31 33
Section 2.....	AMOUNT AND TERMS OF COMMITMENTS.....	32 34
2.1.....	Commitments.....	32 34
2.2.....	Procedure for Revolving Loan Borrowing.....	32 34
2.3.....	Commitment Increases.....	33 35
2.4.....	[Reserved].....	34 37
2.5.....	[Reserved].....	34 37
2.6.....	Commitment Fees, Etc.....	34 37
2.7.....	Termination or Reduction of Commitments; Extension of Termination Date..	35 37
2.8.....	Optional Prepayments.....	37 39
2.9.....	Conversion and Continuation Options.....	37 40
2.10.....	Limitations on Eurodollar Term Benchmark Tranches.....	38 40
2.11.....	Interest Rates and Payment Dates.....	38 40
2.12.....	Computation of Interest and Fees.....	39 41
2.13.....	Inability to Determine Interest Rate.....	39 41
2.14.....	Pro Rata Treatment and Payments; Notes.....	41 44
2.15.....	Change of Law.....	42 45
2.16.....	Taxes.....	44 47
2.17.....	Indemnity.....	48 51
2.18.....	Change of Lending Office.....	48 51
2.19.....	Replacement of Lenders.....	48 51
2.20.....	Defaulting Lenders.....	49 52
2.21.....	Illegality.....	51 54
Section 3.....	LETTERS OF CREDIT.....	51 54
3.1.....	L/C Commitment.....	51 54
3.2.....	Procedure for Issuance of Letters of Credit.....	52 56
3.3.....	Fees and Other Charges.....	53 57
3.4.....	L/C Participations.....	54 57
3.5.....	Reimbursement Obligation of the Borrower.....	55 58
3.6.....	Obligations Absolute.....	56 59
3.7.....	Letter of Credit Payments.....	56 59
3.8.....	Applications.....	57 60
3.9.....	Actions of Issuing Lenders.....	57 60
3.10.....	Borrower's Indemnification.....	57 60
3.11.....	Lenders' Indemnification.....	58 61
3.12.....	Replacement and Resignation of an Issuing Lender.....	58 61
3.13.....	Existing Letters of Credit.....	59 62
Section 4.....	REPRESENTATIONS AND WARRANTIES.....	59 62
4.1.....	Financial Condition.....	59 62
4.2.....	No Change.....	59 62
4.3.....	Existence; Compliance with Law.....	59 62

4.4.....	Power; Authorization; Enforceable Obligations.....	59 <u>62</u>
4.5.....	No Legal Bar.....	60 <u>63</u>
4.6.....	Litigation.....	60 <u>63</u>
4.7.....	No Default.....	60 <u>63</u>
4.8.....	Taxes.....	60 <u>63</u>
4.9.....	Federal Regulations.....	61 <u>64</u>
4.10.....	ERISA.....	61 <u>64</u>
4.11.....	Investment Company Act; Other Regulations.....	61 <u>64</u>
4.12.....	Use of Proceeds.....	62 <u>65</u>
4.13.....	Environmental Matters.....	62 <u>65</u>
4.14.....	Regulatory Matters.....	62 <u>65</u>
4.15.....	Sanctions; Anti-Corruption.....	62 <u>65</u>
4.16.....	Affected Financial Institutions.....	62 <u>65</u>
4.17.....	Solvency.....	62 <u>66</u>
4.18.....	Disclosure.....	63 <u>66</u>
4.19.....	Status of Obligations.....	63 <u>66</u>
4.20.....	Ownership of Property.....	63 <u>66</u>
4.21.....	Covered Entity.....	63 <u>66</u>
Section 5.....	CONDITIONS PRECEDENT.....	63 <u>66</u>
5.1.....	Conditions to the Effective Date.....	63 <u>66</u>
5.2.....	Conditions to Each Credit Event.....	65 <u>68</u>
Section 6.....	AFFIRMATIVE COVENANTS.....	66 <u>69</u>
6.1.....	Financial Statements.....	66 <u>69</u>
6.2.....	Certificates; Other Information.....	67 <u>70</u>
6.3.....	Payment of Taxes.....	67 <u>70</u>
6.4.....	Maintenance of Existence; Compliance.....	68 <u>71</u>
6.5.....	Maintenance of Property; Insurance.....	68 <u>71</u>
6.6.....	Inspection of Property; Books and Records; Discussions.....	68 <u>71</u>
6.7.....	Notices.....	68 <u>72</u>
6.8.....	Maintenance of Licenses, etc.....	69 <u>72</u>
6.9.....	Further Assurances.....	69 <u>72</u>
6.10.....	Use of Proceeds.....	69 <u>72</u>
Section 7.....	NEGATIVE COVENANTS.....	69 <u>72</u>
7.1.....	Indebtedness Reserved.....	70 <u>73</u>
7.2.....	Consolidated Capitalization Ratio.....	71 <u>73</u>
7.3.....	Liens.....	71 <u>73</u>
7.4.....	Fundamental Changes.....	71 <u>73</u>
7.5.....	Sale and Lease Back Transactions.....	72 <u>73</u>
7.6.....	Swap Agreements.....	72 <u>74</u>
7.7.....	Amendments to FMB Indenture.....	72 <u>74</u>
Section 8.....	EVENTS OF DEFAULT.....	73 <u>74</u>
Section 9.....	THE AGENTS.....	76 <u>77</u>
9.1.....	Appointment and Authority.....	76 <u>77</u>
9.2.....	Delegation of Duties.....	76 <u>77</u>
9.3.....	Exculpatory Provisions.....	76 <u>78</u>
9.4.....	Reliance by Designated Agent.....	77 <u>78</u>
9.5.....	Notice of Default.....	78 <u>79</u>
9.6.....	Non-Reliance on Agents and Other Lenders.....	78 <u>79</u>
9.7.....	Indemnification.....	78 <u>79</u>
9.8.....	Agent in Its Individual Capacity.....	79 <u>80</u>
9.9.....	Successor Agents.....	79 <u>80</u>

9.10...	Documentation Agents and Syndication Agents.....	80 81
9.11...	Designated Agent May File Proofs of Claim.....	80 81
9.12...	Certain ERISA Matters.....	81 82
9.13...	<u>Erroneous Payment</u>.....	<u>83</u>
Section 10....	MISCELLANEOUS.....	82 86
10.1...	Amendments and Waivers.....	82 86
10.2...	Notices.....	84 87
10.3...	No Waiver; Cumulative Remedies.....	86 89
10.4...	Survival of Representations and Warranties.....	86 90
10.5...	Payment of Expenses and Taxes.....	86 90
10.6...	Successors and Assigns; Participations and Assignments.....	87 91
10.7...	Adjustments; Set off.....	91 95
10.8...	Counterparts; Electronic Execution; Binding Effect.....	92 96
10.9...	Severability.....	93 97
10.10..	Integration.....	93 97
10.11..	GOVERNING LAW.....	93 97
10.12..	Submission To Jurisdiction; Waivers.....	93 97
10.13..	Acknowledgments.....	94 98
10.14..	Confidentiality.....	94 98
10.15..	WAIVERS OF JURY TRIAL.....	95 99
10.16..	USA Patriot Act; Beneficial Ownership Regulation.....	95 99
10.17..	Judicial Reference.....	95 99
10.18..	No Advisory or Fiduciary Responsibility.....	96 99
10.19..	Acknowledgement Regarding Any Supported QFCs.....	96 100
10.20..	Acknowledgement and Consent to Bail-In of Affected Financial Institutions.....	97 101

SCHEDULES:

- 1.1 Commitments
- 3.1 Existing Letters of Credit
- 7.5 Sale and Lease Back Transactions

EXHIBITS:

- A Form of New Lender Supplement
 - B Form of Commitment Increase Supplement
 - C Form of Compliance Certificate
 - D Form of Closing Certificate
 - E Form of Assignment and Assumption
 - F [Reserved]
 - G Forms of U.S. Tax Compliance Certificates
 - H Form of Note
 - I Form of Solvency Certificate
-

This CREDIT AGREEMENT (this "Agreement"), dated as of July 1, 2020, among PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to this Agreement (the "Lenders"), CITIBANK, N.A., as administrative agent (in such capacity, the "Administrative Agent") and CITIBANK, N.A., as designated agent (in such capacity, together with any permitted successor thereto, the "Designated Agent").

WITNESSETH:

WHEREAS, on January 29, 2019, the Borrower and PG&E Corporation, a California corporation and the holder of all of the issued and outstanding common stock of the Borrower ("PCG") filed voluntary petitions for relief in the United States Bankruptcy Court for the Northern District of California (the "Bankruptcy Court"), and commenced their respective cases under chapter 11 of title 11 of the United States Code;

WHEREAS, on June 19, 2020, the Borrower and PCG filed the Debtors' and Shareholder Proponents' Joint [Chapter 11 Plan of Reorganization Dated June 19, 2020 \[Docket No. 8048\]](#) (together with all exhibits, schedules, annexes, supplements, and other attachments thereto, and as may be further amended, modified or otherwise changed in accordance with this Agreement, the "Plan of Reorganization");

WHEREAS, on June 20, 2020, the Plan of Reorganization was confirmed by the Bankruptcy Court and was consummated on the Effective Date;

WHEREAS, in connection with the foregoing, the Borrower ~~has~~ requested that the Lenders provide the commitments, loans and letters of credit set forth herein and the Lenders are willing to make available to the Borrower such commitments, loans and letters of credit upon the terms and subject to the conditions set forth herein; ~~and~~

WHEREAS, in connection with Amendment No. 1, the Borrower ~~has~~ requested that (a) the Total Commitment be increased to \$4,000,000,000 and (b) this Agreement be amended as set forth in Amendment No. 1, in each case, pursuant to Amendment No. 1; ~~and~~

WHEREAS, in connection with Amendment No. 2, the Borrower requested that (a) the Total Commitment be increased to \$4,400,000,000 and (b) this Agreement be amended as set forth in Amendment No. 2, in each case, pursuant to Amendment No. 2.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"ABR": for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the ~~Eurodollar~~ Adjusted Term SOFR Rate for a one month Interest Period ~~commencing on as published two U.S. Government Securities Business Days prior to~~ such day ~~(or if such~~

~~day is not a Business Day, the immediately preceding Business Day)~~ plus 1%; provided that for the purpose of this definition, the ~~Eurodollar Adjusted Term SOFR~~ Rate for any day shall be based on the ~~Eurodollar Screen Rate (or if the Eurodollar Screen Rate is not available for such one month Interest Period, the Interpolated Rate)~~ Term SOFR Reference Rate (at approximately ~~11:00 a.m. London~~ 5:00 a.m. Chicago time on such day ~~(or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology)~~). Any change in the ABR due to a change in the Prime Rate, the NYFRB Rate or the ~~Eurodollar Adjusted Term SOFR~~ Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the ~~Eurodollar Adjusted Term SOFR~~ Rate, respectively. If ABR is being used as an alternate rate of interest pursuant to Section ~~2.13~~ 2.13 (for the avoidance of doubt, only until any amendment has become effective pursuant to Section ~~2.13(b)~~ 2.13(b)), then ABR shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. If the ABR as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

“ABR Loans”: Loans the rate of interest applicable to which is based upon the ABR.

“Adjusted Daily Simple SOFR Rate”: an interest rate per annum equal to (a) the Daily Simple SOFR, plus (b) 0.10%; provided that if the Adjusted Daily Simple SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Adjusted Term SOFR Rate”: for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, plus (b) 0.10%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“Administrative Agent”: as defined in the preamble hereto.

“Affected Financial Institution”: (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate”: with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent Parties”: as defined in [Section 10.2\(d\)\(ii\)](#).

“Agents”: the collective reference to the Syndication Agents, the Documentation Agents, the Administrative Agent and the Designated Agent.

“Agreement”: as defined in the preamble hereto.

“Amendment No. 1”: that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among the Borrower, each Lender party thereto, each Issuing Lender, JPMorgan Chase Bank, N.A. and Citibank, N.A., each as co-administrative agents and Citibank, N.A., as Designated Agent.

“Amendment No. 1 Effective Date”: June 22, 2021.

“Amendment No. 2”: that certain Amendment No. 2 to Credit Agreement, dated as of the Amendment No. 2 Effective Date, among the Borrower, each Lender party thereto and the Administrative Agent.

“Amendment No. 2 Effective Date”: October 4, 2022.

“Anti-Corruption Laws”: as defined in Section 4.15.

“Applicable Margin”: for any day, the applicable rate per annum set forth under the relevant column heading below, based upon the Ratings then in effect:

Level	Rating S&P/Moody's/Fitch	Applicable Margin for ABR Loans	Applicable Margin for Eurodollar Term Benchmark Loans
1	Higher than BBB+/Baa1/BBB+	0.125%	1.125%
2	BBB+/Baa1/BBB+	0.25%	1.25%
3	BBB/Baa2/BBB	0.50%	1.50%
4	BBB-/Baa3/BBB-	0.75%	1.75%
5	BB+/Ba1/BB+	1.00%	2.00%
6	Lower than BB+/Ba1/BB+	1.50%	2.50%

Subject to the provisions of this paragraph regarding split ratings, changes in the Applicable Margin shall become effective on the date on which S&P, Moody's and/or Fitch changes its relevant Rating. (a) If Ratings are issued by all three rating agencies and the respective Ratings issued by two or more of the rating agencies are in the same pricing level, that pricing level shall apply; (b) if Ratings are issued by all three rating agencies and none of the respective Ratings are in the same pricing level, the pricing level shall be determined based on the middle Rating; (c) if only two Ratings are issued and they differ by one level, then the pricing level for the higher of such Ratings shall apply; (d) if only two Ratings are issued and they differ by more than one level, then the pricing level that is one level lower than the pricing level of the higher Rating shall apply; (e) if only one Rating is issued, the pricing level shall be determined based on that Rating; and (f) if no such Ratings in clauses (a) through (e) of this sentence are issued for the Borrower, but are generally available for other companies, then the Applicable Margin shall be those set forth above opposite pricing level 6.

“Application”: an application, in such form as the relevant Issuing Lender may reasonably specify from time to time, requesting such Issuing Lender to issue a Letter of Credit.

“Approved Fund”: with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of any entity that administers or manages such Lender.

“Arrangers”: (i) with respect to the transactions on the Effective Date, the Joint Lead Arrangers and Joint Bookrunners identified on the cover hereto ~~and~~, (ii) with respect to the transactions contemplated by Amendment No. 1 as of the Amendment No. 1 Effective Date, JPMorgan Chase Bank, N.A., Citibank, N.A., Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC; **and (iii) with respect to the**

transactions contemplated by Amendment No. 2 as of the Amendment No. 2 Effective Date, JPMorgan Chase Bank, N.A., Citibank, N.A., Barclays Bank PLC, BofA Securities, Inc., Goldman Sachs Bank USA and Wells Fargo Securities, LLC.

“A/R Securitization Assets”: (i) any accounts receivable, notes receivable, rights to future accounts receivable, notes receivable or residuals or other similar rights to payments due or any other rights to payment or related assets in respect of the provision of gas and electric service to consumers or otherwise (whether then existing or arising in the future) of the Borrower or any of its Subsidiaries and the proceeds thereof and (ii) all collateral securing such receivable or asset, all contracts and contract rights, guarantees or other obligations in respect of such receivable or asset, lockbox accounts and records with respect to such receivables or asset and any other assets customarily transferred (or in respect of which security interests are customarily granted) together with receivables or assets in connection with a securitization transaction involving such assets.

“A/R Securitization Subsidiary”: PG&E AR Facility, LLC and any other Subsidiary formed and operating solely for the purpose of entering into A/R Securitization Transactions and engaging in activities ancillary thereto.

“A/R Securitization Transaction”: any financing transaction or series of financing transactions entered into by the Borrower or any Subsidiary of the Borrower pursuant to which the Borrower may sell, convey or otherwise transfer to any Person (including, without limitation, an A/R Securitization Subsidiary), or may grant a security interest in any A/R Securitization Assets and that are (other than to the extent of the Standard A/R Securitization Obligations) non-recourse to the Borrower or any of its Subsidiaries (other than an A/R Securitization Subsidiary).

“Assignee”: as defined in Section 10.6(b).

“Assignment and Assumption”: an Assignment and Assumption, substantially in the form of Exhibit E.

“Auto-Extension Letter of Credit”: as defined in Section 3.2.

“Available Commitment”: as to any Lender at any time, an amount equal to the excess, if any, of (a) such Lender’s Commitment then in effect over (b) such Lender’s Extensions of Credit then outstanding.

“Available Tenor”: as of any date of determination and with respect to the then-current Benchmark, as applicable, ~~(x) if the then-current Benchmark is a term rate,~~ any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period ~~or (y) for any term rate or otherwise, any payment period for for determining any frequency of making payments of interest calculated with reference to such Benchmark, as applicable,~~ pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.13.

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation”: (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Court”: as defined in the first recital paragraph.

“Benchmark”: initially, ~~the Eurodollar Base~~ with respect to any Term Benchmark Loan, the Term SOFR Rate; provided that if a ~~replacement of the Benchmark has occurred pursuant to Section 2.13~~ Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Daily Simple SOFR or Term SOFR Rate, as applicable, or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. ~~Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof pursuant to clause (b) of Section 2.13.~~

“Benchmark Replacement”: for any Available Tenor:

~~(1) for purposes of Section 2.13(b),~~ the first alternative set forth in the order below that can be determined by the Designated Agent for the applicable Benchmark Replacement Date:

(1) the Adjusted Daily Simple SOFR Rate; and

~~(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one-month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration, 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration and 0.71513% (71.513 basis points) for an Available Tenor of twelve-months’ duration; provided, that if any Available Tenor of the Eurodollar Base Rate does not correspond to an Available Tenor of Term SOFR, the Benchmark Replacement for such Available Tenor of the Eurodollar Base Rate shall be the closest corresponding Available Tenor (based on tenor) for Term SOFR, or and if such Available Tenor of the Eurodollar Base Rate corresponds equally to two Available Tenors of Term SOFR, the corresponding tenor of Term SOFR with the shorter duration shall be applied;~~

~~(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of the Eurodollar Base Rate with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (b) of Section 2.13 (which spread adjustment, for the avoidance of doubt, shall be 0.11448% (11.448 basis points); and~~

~~(2) for purposes of clause (c) of Section 2.13,~~ the sum of: (a) the alternate benchmark rate ~~and (b) an adjustment (which may be a positive or negative value or zero), in each case,~~ that has been selected by the Designated Agent and the Borrower as the

replacement for ~~such Available Tenor of such~~ the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment;

~~provided that, if~~ If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment”: with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Designated Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body as of the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes”: with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, ~~the applicability and~~ length of lookback periods, the applicability of breakage provisions, ~~the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement”~~ and other technical, administrative or operational matters) that the Designated Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Designated Agent in a manner substantially consistent with market practice (or, if the Designated Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Designated Agent determines that no market practice for the administration of such Benchmark ~~Replacement~~ exists, in such other manner of administration as the Designated Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents), ~~the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement.~~

“Benchmark Replacement Date”: with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event”: with respect to any ~~then-current~~ Benchmark ~~other than the Eurodollar Base Rate~~, the occurrence of one or more of the following events: ~~a public statement or publication of information by or on behalf of the administrator of the~~ with respect to such then-current Benchmark;

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, ~~announcing or stating that (a) such (or such component), in each case, which states that the~~ administrator of such Benchmark (or such component) has ceased or will cease ~~on a specified date~~ to provide all Available Tenors of such Benchmark; (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark ~~or (b) all Available Tenors of such Benchmark are or will no longer be representative of the~~

~~underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored; (or such component thereof); or~~

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period”: with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 2.13 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 2.13.

“Beneficial Owner”: as defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Sections 13(d) and 14(d) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms “Beneficially Owns” and “Beneficially Owned” have correlative meanings.

“Beneficial Ownership Certification”: a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation”: 31 C.F.R. § 1010.230.

“Benefit Plan”: any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Benefitted Lender”: as defined in Section 10.7(a).

“BHC Act Affiliate”: an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)).

“Bond Delivery Agreement”: (i) that certain Bond Delivery Agreement, dated as of the Effective Date, between the Borrower and the Designated Agent, (ii) that certain Bond Delivery Agreement, dated as of the Amendment No. 1 Effective Date, between the Borrower and the Designated Agent ~~and~~, (iii) that certain Bond Delivery Agreement, dated as of the Amendment No. 2 Effective Date, between the Borrower and the Designated Agent and (iv) any bond delivery agreement entered into in connection with the issuance of any new First Mortgage Bonds to the Designated Agent pursuant to Sections 2.3(g) or 2.7(a).

“Bond Documents”: collectively, the FMB Indenture, the Supplemental Indenture, the Senior Bond and the Bond Delivery Agreement.

“Borrower”: as defined in the preamble hereto.

“Borrowing Date”: any Business Day specified by the Borrower as a date on which the Borrower requests the Lenders to make Loans hereunder.

“Business Day”: a day (other than a Saturday; ~~or a Sunday or other day~~) on which ~~commercial~~ banks are open for business in New York City or ~~San Francisco, California are authorized or required by law to close, provided, that with respect to notices and determinations in connection with, and payments of principal and interest on, Eurodollar Loans, such day is also a day for trading by and between banks in Dollar deposits in the London interbank eurodollar market.~~ Chicago; provided that, in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings of such RFR Loan, any such day that is only an U.S. Government Securities Business Day.

“Capital Lease Obligations”: as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on the balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP, subject to Section 1.2(f).

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

~~“Cash Management Agreement”: any agreement to establish or maintain accounts or provide cash management services, including treasury, depository, overdraft, netting services, cash pooling arrangements, credit or debit card, purchasing card, electronic funds transfer, automated clearing house, foreign exchange facilities and other cash management arrangements.~~

“Change of Control”: the occurrence of one of the following:

- (i) (A) PCG shall at any time not be the Beneficial Owner of 100% of the common stock of the Borrower or (B) PCG shall at any time not be the Beneficial Owner of at least 70% of the voting Capital Stock of the Borrower; or
 - (ii) any person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder as of the Effective Date) shall become the Beneficial Owner of shares representing more than 35% of the voting power of the Capital Stock of PCG; or
 - (iii) at any point during any period of 24 consecutive months, commencing after the Effective Date, individuals who at the beginning of such 24-month period were directors of PCG, together with any directors whose election or nomination for election to the board of directors of PCG (whether by the board of directors of PCG or any shareholder of PCG) was approved by a majority of the directors who either were directors of PCG at the beginning of such 24-month period or whose election or nomination for election was so approved, cease to constitute a majority of the board of directors of PCG (it being understood and agreed that,
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for the avoidance of doubt, the change of directors of PCG contemplated by the Plan of Reorganization shall not constitute a Change of Control); or

(iv) there shall have been (A) [reserved] or (B) a transfer of the license and/or operating assets constituting more than 10% of the Net Tangible Assets of the Borrower to the State of California, to any other Governmental Authority or to a third party at the direction of State of California, the CPUC or any similar Governmental Authority.

“Change of Law”: the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, statute, treaty, policy, guideline or directive by any Governmental Authority, (b) any change in any law, rule, regulation, statute, treaty, policy, guideline or directive or in the application, interpretation, promulgation, implementation, administration or enforcement thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change of Law”, regardless of the date enacted, adopted or issued.

“CME Term SOFR Administrator”: CME Group Benchmark Administration Limited as administrator of the term Secured Overnight Financing Rate (SOFR) (or a successor administrator; provided that, in the event there are multiple successor administrators, the successor administrator hereunder shall be selected by the Designated Agent and the Borrower).

“Code”: the Internal Revenue Code of 1986, as amended from time to time.

“Commitment”: as to any Lender, the obligation of such Lender, if any, to make Revolving Loans and participate in Letters of Credit in an aggregate principal and/or face amount not to exceed (i) prior to the Amendment No. 1 Effective Date, the amount set forth under the heading “Commitment” opposite such Lender’s name on Schedule 1.1, (ii) as of the Amendment No. 1 Effective Date and thereafter until (but not including) the Amendment No. 2 Effective Date, the amount set forth under the heading “Commitment” opposite such Lender’s name on Schedule I of Amendment No. 1 and (iii) as of the Amendment No. 2 Effective Date and thereafter, the amount set forth under the heading “Commitment” opposite such Lender’s name on Schedule I of Amendment No. ~~12~~ or ~~(iiiiv)~~ in the Assignment and Assumption or New Lender Supplement pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. The amount of the Total Commitments (~~xw~~) prior to the Amendment No. 1 Effective Date was \$3,500,000,000, (x) from the Amendment No. 1 Effective Date until (but not including) the Amendment No. 2 Effective Date was \$4,000,000,000 and (y) as of the Amendment No. ~~12~~ Effective Date and thereafter is \$~~4,000,000,000~~4,400,000,000.

“Commitment Fee Rate”: for any day, the rate per annum determined pursuant to the grid set forth below, based upon the Ratings then in effect:

Level	Rating S&P/Moody’s/Fitch	Commitment Fee Rate
1	Higher than BBB+/Baa1/BBB+	0.125%

2	BBB+/Baa1/BBB+	0.175%
3	BBB/Baa2/BBB	0.225%
4	BBB-/Baa3/BBB-	0.275%
5	BB+/Ba1/BB+	0.35%
6	Lower than BB+/Ba1/BB+	0.50%

Subject to the provisions of this paragraph regarding split ratings, changes in the Commitment Fee Rate shall become effective on the date on which S&P, Moody's and/or Fitch changes its relevant Rating. (a) If Ratings are issued by all three rating agencies and the respective Ratings issued by two or more of the rating agencies are in the same pricing level, that pricing level shall apply; (b) if Ratings are issued by all three rating agencies and none of the respective Ratings are in the same pricing level, the Commitment Fee Rate shall be determined based on the middle Rating; (c) if only two Ratings are issued and they differ by one level, then the Commitment Fee Rate for the higher of such Ratings shall apply; (d) if only two Ratings are issued and they differ by more than one level, then the Commitment Fee Rate that is one level lower than the Commitment Fee Rate of the higher Rating shall apply; (e) if only one Rating is issued, the Commitment Fee Rate shall be determined based on that Rating; and (f) if no such Ratings in clauses (a) through (e) of this sentence are issued for the Borrower, but are generally available for other companies, then the Commitment Fee Rate shall be that set forth above opposite pricing level 6.

"Commitment Increase Notice": as defined in Section 2.3(a).

~~**"Commitment Letter": that certain RCF Commitment Letter dated as of May 26, 2020 among Pacific Gas and Electric Company, as the borrower, PG&E Corporation and the commitment parties from time to time party thereto, as amended, modified or supplemented from time to time prior to the Effective Date.**~~

"Commitment Period": the period from and including the Effective Date to the Termination Date.

"Commonly Controlled Entity": an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under Section 414 of the Code.

"Communications": as defined in Section 10.2(d)(ii).

"Compliance Certificate": a certificate duly executed by a Responsible Officer substantially in the form of Exhibit C.

"Conduit Lender": any special purpose corporation organized and administered by any Lender for the purpose of making Loans otherwise required to be made by such Lender and designated by such Lender in a written instrument; provided, that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to Sections 2.15, 2.16, 2.17

or 10.5 than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Commitment.

“Connection Income Taxes”: Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Capitalization”: on any date of determination, the sum of (a) Consolidated Total Debt on such date, plus without duplication, (b) (i) the amounts set forth opposite the captions “common shareholders’ equity” (or any similar caption) and “preferred stock” (or any similar caption) on the consolidated balance sheet, prepared in accordance with GAAP, of the Borrower and its Subsidiaries as of such date, and (ii) the outstanding principal amount of any junior subordinated deferrable interest debentures or other similar securities issued by the Borrower or any of its Subsidiaries after the Effective Date.

“Consolidated Capitalization Ratio”: on any date of determination, the ratio of (a) Consolidated Total Debt to (b) Consolidated Capitalization.

“Consolidated Total Debt”: at any date, the aggregate principal amount of all obligations of the Borrower and its Significant Subsidiaries at such date that in accordance with GAAP would be classified as debt on a consolidated balance sheet of the Borrower, and without duplication all Guarantee Obligations of the Borrower and its Significant Subsidiaries at such date in respect of obligations of any other Person that in accordance with GAAP would be classified as debt on a consolidated balance sheet of such Person; provided that, the determination of **“Consolidated Total Debt”** shall exclude, without duplication, (a) the Securitized Bonds and any Indebtedness under any A/R Securitization Transaction, (b) Indebtedness of the Borrower and its Significant Subsidiaries in an amount equal to the amount of cash held as cash collateral for any fully cash collateralized letter of credit issued for the account of the Borrower or any Significant Subsidiary, (c) imputed Indebtedness of the Borrower or any Significant Subsidiary incurred in connection with power purchase and fuel agreements, (d) any junior subordinated deferrable interest debenture or other similar securities issued by the Borrower and (e) as of any date of determination, the amount of any securities included within the caption “preferred stock” (or any similar caption) on a consolidated balance sheet, prepared in accordance with GAAP, of the Borrower as of such date.

“Continuing Lender”: as defined in Section 2.7.

“Contractual Obligation”: as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control”: the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Corresponding Tenor”: with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Covered Entity”: any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party”: as defined in Section 10.19.

“CPUC”: the California Public Utilities Commission or its successor.

“Credit Event”: as defined in Section 5.2.

“Daily Simple SOFR”: for any day, ~~(a “SOFR, with the conventions for this rate (which will include a lookback) being established by the Designated Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Designated Agent decides that any such convention is not administratively feasible for the Designated Agent, then the Designated Agent may establish another convention in its reasonable discretion.~~ Rate Day”), a rate per annum equal to SOFR for the day (such day “SOFR Determination Date”) that is five (5) U.S. Government Securities Business Day prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

“Debtor Relief Laws”: the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default”: any of the events specified in Section 8, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Default Right”: the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender”: subject to the penultimate paragraph of Section 2.20, any Lender, as reasonably determined by the Designated Agent, that has (a) failed to fund any portion of its Revolving Loans or Participation Amounts within two (2) Business Days of the date required to be funded by it under this Agreement, unless such Lender notifies the Designated Agent in writing that such failure is the result of such Lender’s good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable Default, shall be specifically identified in such writing) has not been satisfied, (b) notified the Borrower, the Designated Agent, any Issuing Lender or any other Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with

its funding obligations under this Agreement (other than a notice of a good faith dispute or related communications) or generally under other agreements in which it commits to extend credit, unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's good faith determination that a condition precedent to funding (which condition precedent, together with any applicable Default, shall be specifically identified in such writing or public statement) cannot be satisfied, (c) failed, within two (2) Business Days after written request by the Designated Agent or the Borrower, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Loans and Participation Amounts, unless the subject of a good faith dispute (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Designated Agent or the Borrower), (d) otherwise failed to pay over to the Designated Agent or any other Lender any other amount required to be paid by it under this Agreement within two (2) Business Days of the date when due, unless the subject of a good faith dispute, or (e) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a custodian appointed for it, or has consented to, approved of or acquiesced in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has consented to, approved of or acquiesced in any such proceeding or appointment, or (iii) become the subject of a Bail-In Action; provided that (x) if a Lender would be a "Defaulting Lender" solely by reason of events relating to a parent company of such Lender or solely because a Governmental Authority has been appointed as receiver, conservator, trustee or custodian for such Lender, in each case as described in clause (e) above, the Designated Agent and each Issuing Lender may, in their discretion, determine that such Lender is not a "Defaulting Lender" if and for so long as the Designated Agent and each Issuing Lender is satisfied that such Lender will continue to perform its funding obligations hereunder and (y) a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of voting stock or any other Capital Stock in such Lender or a parent company thereof by a Governmental Authority or an instrumentality thereof, or the exercise of control over such Lender or parent company thereof, by a Governmental Authority or instrumentality thereof so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Designated Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (e) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to the penultimate paragraph of Section 2.20) upon delivery of written notice of such determination to the Borrower, each Issuing Lender and each Lender.

"Designated Agent": as defined in the preamble hereto.

"Disposition": with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition thereof. The term "Dispose of" shall have a correlative meaning.

"Documentation Agents": as defined on the cover hereto.

"Dollars" and "\$": dollars in lawful currency of the United States.

“Drawing Documents”: as defined in Section 3.6.

~~“Early Opt-in Effective Date”: with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Designated Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.~~

~~“Early Opt-in Election”: the occurrence of the following:~~

~~(1) a notification by the Designated Agent to (or the request by the Borrower to the Designated Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review); and~~

~~(2) the joint election by the Designated Agent and the Borrower to trigger a fallback from Eurodollar Base Rate and the provision by the Designated Agent of written notice of such election to the Lenders.~~

“EEA Financial Institution”: (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country”: any of the member states of the European Union, Iceland, Liechtenstein and Norway.

“EEA Resolution Authority”: any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date”: the date on which the conditions precedent set forth in Section 5.1 shall have been satisfied or waived, which date is July 1, 2020.

“Eligible Assignee”: (a) any commercial bank or other financial institution having a senior unsecured debt rating by Moody’s of A3 or better and by S&P of A- or better, which is domiciled in a country which is a member of the OECD or (b) with respect to any Person referred to in the preceding clause (a), any other Person that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of business all of the Capital Stock of which is owned, directly or indirectly, by such Person; provided that in the case of clause (b), the Designated Agent and each Issuing Lender shall have consented to the designation of such Person as an Eligible Assignee (such consent not to be unreasonably withheld or delayed).

“Environmental Laws”: any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental

Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time hereafter be in effect.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Event”: (a) any Reportable Event; (b) the failure of the Borrower or any Commonly Controlled Entity to timely make a required contribution with respect to any Plan or any Multiemployer Plan; (c) the imposition of a Lien under Section 430 of the Code or Section 303 of ERISA with respect to any Single Employer Plan; (d) the failure of the Borrower or any Commonly Controlled Entity to meet the minimum funding standard under Section 412 or 430 of the Code with respect to any Plan or the filing of an application for a funding waiver with respect to any Single Employer Plan; (e) the incurrence by the Borrower or any Commonly Controlled Entity of any liability under Title IV of ERISA, including with respect to the termination of any Plan (other than the payment of PBGC premiums in the ordinary course); (f) (i) the termination of, or the filing or receipt of a notice of intent to terminate, a Single Employer Plan under Section 4041 of ERISA, or the treatment of a plan amendment as a termination under Section 4041 of ERISA, or (ii) (A) the appointment of a trustee to administer a Single Employer Plan under Section 4042, or (B) the institution by the PBGC of proceedings to terminate a Single Employer Plan or to have a trustee appointed to administer a Single Employer Plan, or receipt by the Borrower of notice from the PBGC thereof, where such proceedings continue unstayed or in effect for more than 60 days, or such notice is not withdrawn by the PBGC within 60 days following delivery by PBGC; (g) the incurrence by the Borrower or any Commonly Controlled Entity of any liability with respect to the complete withdrawal or partial withdrawal under Title IV of ERISA from any Multiemployer Plan; (h) the receipt by the Borrower or any Commonly Controlled Entity of any notice from a Multiemployer Plan concerning the imposition of Withdrawal Liability; (i) receipt of notification by Borrower or any Commonly Controlled Entity from a Multiemployer Plan that such Multiemployer Plan is in endangered or critical status (within the meaning of Section 305 of ERISA) or in Insolvency; (j) the incurrence by the Borrower or any Commonly Controlled Entity of any liability pursuant to Section 4063 or 4064 of ERISA or a substantial cessation of operations with respect to a Plan within the meaning of Section 4062(e) of ERISA; (k) the posting of a bond or security under Section 436(f) of the Code with respect to any Plan; or (l) the Borrower incurs material tax liability with respect to any Plan (including Sections 4975, 4980B, 4980D, 4980H and 4980I of the Code, as applicable).

“Erroneous Payment”: as defined in Section 9.13(a).

“Erroneous Payment Deficiency Assignment”: as defined in Section 9.13(d).

“Erroneous Payment Impacted Class”: as defined in Section 9.13(d).

“Erroneous Payment Return Deficiency”: as defined in Section 9.13(d).

“Erroneous Payment Subrogation Rights”: as defined in Section 9.13(d).

“Escrow Deposit and Disbursement Agreement”: that certain Escrow Deposit Agreement and Disbursement Agreement, dated as of the Effective Date, by and among the Borrower and the Indenture Trustee.

~~“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.~~

~~“Eurocurrency Liabilities”: as defined in Regulation D of the Federal Reserve Board.~~

~~“Eurocurrency Reserve Requirements”: of any Lender for any Interest Period as applied to a Eurodollar Loan, the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during any such percentage shall be so applicable) under any regulations of the Federal Reserve Board or other Governmental Authority having jurisdiction with respect to determining the maximum reserve requirement (including basic, supplemental and emergency reserves) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.~~

~~“Eurodollar Base Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the Eurodollar Screen Rate at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period; provided that if the Eurodollar Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) then the Eurodollar Base Rate shall be the Interpolated Rate.~~

~~“Eurodollar Loans”: Loans the rate of interest applicable to which is based upon the Eurodollar Rate.~~

~~“Eurodollar Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upwards, if necessary, to the next 1/16 of 1%):~~

Eurodollar Base Rate

~~1.00 – Eurocurrency Reserve Requirements~~

~~“Eurodollar Screen Rate”: for any day and time, with respect to any Eurodollar Loan for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Designated Agent in its reasonable discretion); provided that if the Eurodollar Screen Rate as so determined would be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.~~

~~“Eurodollar Tranche”: the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).~~

“Event of Default”: any of the events specified in Section 8, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Exchange Act”: Securities Exchange Act of 1934, as amended.

“Excluded Taxes”: any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.19) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.16(a) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.16(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Existing Letter of Credit”: each letter of credit issued prior to the Effective Date by a Person that shall be an Issuing Lender as of the Effective Date listed on Schedule 3.1.

“Extension Notice”: as defined in Section 2.7(b).

“Extensions of Credit”: as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding and (b) such Lender’s Percentage of the L/C Obligations then outstanding.

“FATCA”: Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

“FCA”: as defined in Section 2.13(b).

“FCPA”: as defined in Section 4.15.

“Federal Funds Effective Rate”: for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Federal Reserve Board”: the Board of Governors of the Federal Reserve System of the United States of America.

“Fee Payment Date”: (a) the fifth Business Day following the last day of each March, June, September and December during the Commitment Period and (b) the last day of the Commitment Period.

“First Mortgage Bonds”: bonds issued by the Borrower pursuant to the FMB Indenture.

“Fitch”: Fitch Ratings, Inc. and any successor thereto.

“Floor”: the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to ~~Eurodollar Base Rate~~ the Adjusted Term SOFR Rate. For the avoidance of doubt, the initial Floor for each of the Adjusted Term SOFR Rate and the Adjusted Daily Simple SOFR Rate shall be 0.0%.

“FMB Indenture”: the Indenture of Mortgage (Mortgage), dated as of June 19, 2020, between the Borrower and the Indenture Trustee (as supplemented by the Supplemental Indenture) and as further supplemented or amended from time to time.

“Foreign Lender”: a Lender or an Issuing Lender that is not a U.S. Person.

“FPA”: the Federal Power Act, as amended, and the rules and regulations promulgated thereunder.

“Fronting Exposure”: at any time there is a Defaulting Lender, such Defaulting Lender’s Percentage of L/C Obligations other than L/C Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or cash collateralized in accordance with the terms hereof.

“Funding Office”: the office of the Designated Agent specified in Section 10.2(a) or such other office as may be specified from time to time by the Designated Agent as its funding office by written notice to the Borrower and the Lenders.

“GAAP”: generally accepted accounting principles in the United States as in effect from time to time, except as noted below. In the event that any “Change in Accounting Principles” (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then, upon the request of the Borrower or the Required Lenders, the Borrower and the Designated Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Change in Accounting Principles with the desired result that the criteria for evaluating the Borrower’s financial condition shall be the same after such Change in Accounting Principles as if such Change in Accounting Principles had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Designated Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Change in Accounting Principles had not occurred. “Change in Accounting Principles” refers to (i) changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or any successor thereto, the SEC or, if applicable, the Public Company Accounting Oversight Board and (ii) any change in the application of GAAP concurred by the Borrower’s independent public accountants and disclosed in writing to the Designated Agent.

“Governmental Authority”: any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization (including the National Association of Insurance Commissioners and supra-national bodies such as the European Union or the European Central Bank).

“Guarantee Obligation”: as to any Person (the “guaranteeing person”), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing person that guarantees any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof or (v) to reimburse or indemnify an issuer of a letter of credit, surety bond or guarantee issued by such issuer in respect of primary obligations of a primary obligor other than the Borrower or any Significant Subsidiary; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person’s reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

“IBA”: as defined in Section 2.13(b).

“Indebtedness”: of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables, including under energy procurement and transportation contracts, incurred in the ordinary course of such Person’s business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements (other than reimbursement obligations, which are not due and payable on such date, in respect of documentary letters of credit issued to provide for the payment of goods and services in the ordinary course of business), (g) the liquidation value of all mandatorily redeemable preferred Capital Stock of such Person, (h) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (g) above, (i) all obligations of the

kind referred to in clauses (a) through (h) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation (provided, that if such Person is not liable for such obligation, the amount of such Person's Indebtedness with respect thereto shall be deemed to be the lesser of the stated amount of such obligation and the value of the property subject to such Lien), and (j) for the purposes of ~~Sections 7.1 and~~ Section 8(e) only, all obligations of such Person in respect of Swap Agreements, provided that Indebtedness as used in this Agreement shall exclude any Non-Recourse Debt and any obligations under any A/R Securitization Transaction. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

~~**"Indebtedness Covenant Release Date": the earlier to occur of (a) the retirement, repayment or refinancing of all of the Borrower's obligations under the Temporary Utility Debt with proceeds of either equity contributions from PCG, excess cash from operations or Securitized Bonds and (b) the expiration of the temporary waiver from its authorized capital structure granted by the CPUC on May 28, 2020.**~~

"Indemnified Liabilities": as defined in Section 10.5.

"Indemnified Taxes": (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnatee": as defined in Section 10.5.

"Indenture Trustee": The Bank of New York Mellon Trust Company, N.A. and any successor thereto as trustee under the FMB Indenture.

"Insolvency": with respect to any Multiemployer Plan, the condition that such plan is insolvent within the meaning of Section 4245 of ERISA.

"Interest Payment Date": (a) as to any ABR Loan, the last ~~day~~ Business Day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan, (b) ~~as to any Eurodollar with respect to any RFR Loan, each date that is on the numerically corresponding day in each calendar month that is one month after the borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month), (c) as to any Term Benchmark~~ Loan having an ~~Interest Period~~ interest period of three months or less, the last day of such Interest Period, (~~ed~~) as to any ~~Eurodollar~~ Term Benchmark Loan having an Interest Period ~~longer of more~~ than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and ~~the last day of such Interest Period and (de)~~ as to any Loan, the date of any repayment or prepayment made in respect thereof.

"Interest Period": as to any ~~Eurodollar~~ Term Benchmark Loan, (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such ~~Eurodollar~~ Term Benchmark Loan and ending one ~~week thereafter or one~~, three or six ~~or~~

~~(if agreed to by all Lenders) twelve~~ months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such **Eurodollar Term Benchmark** Loan and ending one ~~week thereafter or one~~, three or six ~~or (if agreed to by all Lenders) twelve~~ months thereafter, as selected by the Borrower by irrevocable notice to the Designated Agent not later than 12:00 Noon, New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

- (i) ~~(i)~~ if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;
- (ii) ~~(ii)~~ the Borrower may not select an Interest Period that would extend beyond the Termination Date;
- (iii) ~~(iii)~~ any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;
- (iv) [reserved]; and
- (v) at the election of the Borrower, the initial Interest Period for any **Eurodollar Term Benchmark** Loans made on the Effective Date, shall commence on the Effective Date and end on the last day of the calendar month during which the Effective Date occurs; and.

~~(vi) the option to elect a one week Interest Period shall only be available during the calendar year ending December 31, 2021 and solely to the extent such Interest Period is available to the Designated Agent.~~

~~**“Interpolated Rate”**: at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the Eurodollar Screen Rate) determined by the Designated Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Eurodollar Screen Rate for the longest period (for which the Eurodollar Screen Rate is available) that is shorter than the Impacted Interest Period; and (b) the Eurodollar Screen Rate for the shortest period (for which that Eurodollar Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.~~

“IRS”: the United States Internal Revenue Service.

“ISP”: the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“Issuing Lender”: (a) JPMorgan Chase Bank, N.A., Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Goldman Sachs Bank USA, BNP Paribas, Credit Suisse AG, New York Branch, Mizuho Bank, Ltd., MUFG Union Bank, N.A., Wells Fargo Bank, National Association and Bank of Montreal, Chicago Branch and (b) any other Lender selected by the Borrower as an Issuing Lender with the consent of such Lender and the Designated Agent.

The Borrower may, at any time upon giving at least 10 days' prior written notice thereof to the Lenders and the Designated Agent, remove any Issuing Lender, provided that no Letters of Credit issued by such Issuing Lender are outstanding or the Borrower terminates or cash collateralizes any Letters of Credit issued by such Issuing Lender on or prior to such removal. Any Issuing Lender may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Lender, in which case the term "Issuing Lender" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"knowledge of the Borrower": actual knowledge of any Responsible Officer of the Borrower.

"L/C Commitment": \$1,500,000,000.

"L/C Obligations": at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding Letters of Credit and (b) the aggregate amount of drawings under issued Letters of Credit that have not then been reimbursed pursuant to Section 3.5.

"L/C Participants": in respect of any Letter of Credit, the collective reference to all the Lenders other than the Issuing Lender that issued such Letter of Credit.

"L/C Pro Rata Commitment": with respect to each Issuing Lender, the commitment of such Issuing Lender hereunder to make Letters of Credit available to the Borrower (i) prior to the Amendment No. 1 Effective Date, in the amount set forth under the heading "L/C Pro Rata Commitment" opposite its name on Schedule 1.1 hereto, (ii) as of the Amendment No. 1 Effective Date and thereafter, in the amount set forth under the heading "L/C Pro Rata Commitment" opposite its name on Schedule I of Amendment No. 1 or (iii) as otherwise agreed to in writing between the Borrower and the applicable Issuing Lender from time to time.

"Laws": collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lenders": as defined in the preamble hereto, including each Lender set forth under the heading "Lender" on Schedule I of Amendment No. 1 and their respective successors and assigns as permitted hereunder; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

"Letter of Credit Expiration Date": as defined in Section 3.1(a).

"Letters of Credit": as defined in Section 3.1.

"LIBOR": as defined in Section 1.4.

"Lien": any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature

whatsoever (including any conditional sale or other title retention agreement and any Capital Lease Obligation having substantially the same economic effect as any of the foregoing).

“Loan”: any loan made by any Lender pursuant to this Agreement.

“Loan Documents”: this Agreement, the Notes, the Applications, the Supplemental Indenture, the Senior Bond, the Bond Delivery Agreement, the FMB Indenture and, in each case, any amendment, waiver, supplement or other modification to any of the foregoing; provided, that the term “Loan Documents” shall not include the FMB Indenture for any purposes under Section 2.16, Section 8 or Section 10 (other than for the purposes of Sections 10.1(iv) and (ix)).

“Material Adverse Effect”: (a) a change in the business, property, operations or financial condition of the Borrower and its Subsidiaries taken as a whole that could reasonably be expected to materially and adversely affect the Borrower’s ability to perform its obligations under the Loan Documents or (b) a material adverse effect on (i) the validity or enforceability of this Agreement or any of the other Loan Documents or (ii) the rights and remedies of the Agents and the Lenders, taken as a whole, under this Agreement or any other Loan Document.

“Materials of Environmental Concern”: any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

“Moody’s”: Moody’s Investors Service, Inc.

“Mortgaged Property”: as defined in the FMB Indenture.

“Multiemployer Plan”: a plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Tangible Assets”: the total amount of the Borrower’s assets determined on a consolidated basis in accordance with GAAP as of the last day of the most recently ended fiscal quarter for which financial statements have been delivered under Section 6.1, less (a) the sum of the Borrower’s consolidated current liabilities determined in accordance with GAAP, and (b) the amount of the Borrower’s consolidated assets classified as intangible assets, determined in accordance with GAAP.

“New Lender Supplement”: as defined in Section 2.3(b).

“New Revolving Credit Lender”: as defined in Section 2.3(b).

“Non-Extending Lender”: as defined in Section 2.7.

“Non-Extension Notice Date”: as defined in Section 3.2.

“Non-Recourse Debt”: Indebtedness of the Borrower or any of its Significant Subsidiaries that is incurred in connection with the acquisition, construction, sale, transfer or other Disposition of specific assets, to the extent recourse, whether contractual or as a matter of law, for non-payment of such Indebtedness is limited (a) to such assets, or (b) if such assets

are (or are to be) held by a Subsidiary formed solely for such purpose, to such Subsidiary or the Capital Stock of such Subsidiary.

“Notes”: as defined in Section 2.14(f).

“NYFRB”: the Federal Reserve Bank of New York.

“NYFRB Rate”: for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. (New York City time) on such day received by the Designated Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“NYFRB’s Website”: the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“Obligations”: the unpaid principal of and interest on (including, without limitation, interest accruing after the maturity of the Loans and Reimbursement Obligations and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans, the Reimbursement Obligations and all other obligations and liabilities of the Borrower to the Agents or to any Issuing Lender or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including, without limitation, all fees, charges and disbursements of counsel to the Agents or to any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“OECD”: the countries constituting the “Contracting Parties” to the Convention on the Organisation For Economic Co-operation and Development, as such term is defined in Article 4 of such Convention.

“Other Connection Taxes”: with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes”: all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“Overnight Bank Funding Rate”: for any day, the rate comprised of ~~both~~ overnight federal funds ~~and overnight Eurodollar borrowings~~ by U.S.-managed banking offices of depository institutions, as such ~~composite~~ rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Participant”: as defined in Section 10.6(c).

“Participant Register”: as defined in Section 10.6(c)(iii).

“Participation Amount”: as defined in Section 3.4(b).

“Patriot Act”: as defined in Section 10.16.

“Payment Amount”: as defined in Section 3.5.

“Payment Recipient”: as defined in Section 9.13(a).

“PBGC”: the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

“PCG”: as defined in the first recital paragraph.

“Percentage”: as to any Lender at any time, the percentage which such Lender’s Commitment then constitutes of the Total Commitments or, at any time after the Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Lender’s Revolving Loans then outstanding constitutes of the aggregate principal amount of the Revolving Loans then outstanding, provided, that, in the event that the Revolving Loans are paid in full prior to the reduction to zero of the Total Extensions of Credit, the Percentages shall be determined in a manner designed to ensure that the other outstanding Extensions of Credit shall be held by the Lenders on a comparable basis.

~~“Permitted Refinancing”: with respect to any Indebtedness (the “Refinanced Indebtedness”), any extension, refinancing, refunding or replacement thereof with Indebtedness provided that (i) the amount of such Indebtedness does not exceed the aggregate principal amount of the Refinanced Indebtedness, plus any premium, interest, fee or expenses payable in connection therewith, (ii) the final maturity date of such Indebtedness is no earlier than the maturity date of the Refinanced Indebtedness, and (iii) the weighted average life to maturity of such Indebtedness is not shorter than the weighted average life to maturity of the Refinanced Indebtedness.~~

“Person”: an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“Plan”: at a particular time, any employee benefit plan that is covered by ERISA and in respect of which the Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan of Reorganization”: as defined in the second recital paragraph.

“Platform”: as defined in Section 10.2(d).

“Prime Rate”: the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Designated Agent) or in any similar release by the Federal Reserve Board (as determined by the Designated Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“PTE”: a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“QFC”: the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” in Section 10.19.

“Qualified Securitization Bond Issuer”: a Subsidiary of the Borrower formed and operating solely for the purpose of (a) purchasing and owning property created under a “financing order” (as such term is defined in the California Public Utilities Code) or similar order issued by the CPUC, (b) issuing such securities pursuant to such order, (c) pledging its interests in such property to secure such securities and (d) engaging in activities ancillary to those described in (a), (b) and (c).

“Rating”: each rating announced by S&P, Moody’s and Fitch in respect of the Borrower’s senior secured debt.

“Recipient”: the Designated Agent, any Lender or any Issuing Lender.

“Reference Time”: with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting, (2) if such Benchmark is Daily Simple SOFR, then four U.S. Government Securities Business Days prior to such setting or (3) if such Benchmark is neither the Term SOFR Rate or Daily Simple SOFR, the time determined by the Designated Agent in its reasonable discretion.

“Register”: as defined in Section 10.6(b).

“Regulation U”: Regulation U of the Federal Reserve Board as in effect from time to time.

“Reimbursement Obligation”: the obligation of the Borrower to reimburse each Issuing Lender pursuant to Section 3.5 for amounts drawn under Letters of Credit issued by such Issuing Lender.

“Related Parties”: with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Relevant Governmental Body”: the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“Relevant Rate”: (i) with respect to any Term Benchmark Loan, the Adjusted Term SOFR Rate or (ii) with respect to any RFR Loan, the Adjusted Daily Simple SOFR Rate, as applicable.

“Removal Effective Date”: as defined in Section 9.9(b).

“Reportable Event”: any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty-day notice period is waived under subsections .27, .28, .29, .30, .31, .32, .34 or .35 of PBGC Reg. § 4043.

“Required Lenders”: at any time, the holders of more than 50% of the Total Commitments then in effect or, if the Commitments have been terminated, the Total Extensions of Credit then outstanding. The Total Commitments of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, any Participation Amount that such Defaulting Lender has failed to fund and that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is an Issuing Lender, as the case may be, in making such determination.

“Requirement of Law”: as to any Person, the Articles of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resignation Effective Date”: as defined in Section 9.9(a).

“Resolution Authority”: with respect to any EEA Financial Institution, an EEA Resolution Authority and, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer”: the chief executive officer, president, chief financial officer, treasurer or assistant treasurer of the Borrower, but in any event, with respect to financial matters, the chief financial officer, treasurer or assistant treasurer of the Borrower.

“Revolving Credit Offered Increase Amount”: as defined in Section 2.3(a).

“Revolving Credit Re-Allocation Date”: as defined in Section 2.3(d).

“Revolving Loans”: as defined in Section 2.1(a).

“RFR Loan”: a Loan that bears interest at a rate based on the Adjusted Daily Simple SOFR Rate.

“S&P”: Standard & Poor’s Global Ratings, a division of S&P Global Inc., and any successor thereto.

“Sanctions”: as defined in Section 4.15.

“SEC”: the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

“Securitized Bonds”: without duplication, securities, however denominated, that are (i) issued by a Qualified Securitization Bond Issuer, (ii) secured by or otherwise payable from charges authorized by the financing order referred to in clause (a) of the definition of “Qualified Securitization Bond Issuer,” and (iii) non-recourse to the Borrower or any of its Subsidiaries (other than the issuer of such securities).

“Senior Bond”: (i) that certain First Mortgage Bond in the aggregate principal amount of \$3,500,000,000 issued to the Designated Agent pursuant to the Supplemental Indenture, dated as of the Effective Date (which First Mortgage Bond was cancelled as of the Amendment No. 1 Effective Date), (ii) that certain First Mortgage Bond in the aggregate principal amount of \$4,000,000,000 issued to the Designated Agent pursuant to the Supplemental Indenture, dated as of the Amendment No. 1 Effective Date ~~and~~, (iii) that certain First Mortgage Bond in the aggregate principal amount of \$4,400,000,000 issued to the Designated Agent pursuant to the Supplemental Indenture, dated as of the Amendment No. 2 Effective Date and (iv) any new First Mortgage Bonds issued to the Designated Agent pursuant to any Supplemental Indenture acceptable to the Designated Agent in accordance with the issuance of such new First Mortgage Bonds pursuant to Sections 2.3(g) or 2.7(a).

“Significant Subsidiary”: as defined in Article 1, Rule 1-02(w) of Regulation S-X of the Exchange Act as of the Effective Date, provided that notwithstanding the foregoing, no special purpose finance subsidiary, no A/R Securitization Subsidiary (or Subsidiaries of any A/R Securitization Subsidiary) nor any Qualified Securitization Bond Issuer (or Subsidiaries of any Qualified Securitization Bond Issuer) shall constitute a Significant Subsidiary. Unless otherwise qualified, all references to a “Significant Subsidiary” or to “Significant Subsidiaries” in this Agreement shall refer to a “Significant Subsidiary” or “Significant Subsidiaries” of the Borrower.

“Single Employer Plan”: any Plan that is covered by Title IV of ERISA, but that is not a Multiemployer Plan.

“SOFR”: a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator”: the NYFRB (or a successor administrator of the secured overnight financing rate).

~~“SOFR”: a rate per annum equal to the secured overnight financing rate for such Business Day published by the NYFRB (or a successor administrator of the secured overnight financing rate) on the NYFRB’s Website (Administrator’s Website”: the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate~~SOFR Administrator from time to time).

“SOFR Determination Date”: has the meaning specified in the definition of “Daily Simple SOFR”.

“SOFR Rate Day”: has the meaning specified in the definition of “Daily Simple SOFR”.

“Solvent”: with respect to the Borrower and its Subsidiaries, on a consolidated basis, that as of the date of determination, (i) the fair value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, at a fair valuation on a going concern basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise, (ii) the present fair saleable value of the property of the Borrower and its Subsidiaries, on a consolidated and going concern basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured in the ordinary course of business, (iii) the Borrower and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured in the ordinary course of business, (iv) the Borrower and its Subsidiaries are not engaged in businesses, and are not about to engage in businesses for which they have unreasonably small capital. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all the facts and circumstances existing as of the Effective Date, would reasonably be expected to become an actual and matured liability.

“Specified Exchange Act Filings”: the Borrower’s Form 10-K annual report for the year ended December 31, 2020 and each and all of the Form 10-Qs and Form 8-Ks (and to the extent applicable proxy statements) filed by the Borrower or PCG with the SEC after December 31, 2020 and prior to the date that is one Business Day before the Amendment No. ~~12~~ Effective Date.

“Specified Material Adverse Effect”: any occurrence, fact, change, event, effect, violation, penalty, inaccuracy or circumstance that, individually or in the aggregate with any such other results, occurrences, facts, changes, events, effects, violations, penalties, inaccuracies, or circumstances, (i) would have or would reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities, capitalization, financial performance, financial condition or results of operations, in each case, of PCG and the Borrower, taken as a whole, or (ii) would reasonably be expected to prevent or materially delay the ability of the Borrower to consummate the transactions contemplated by this Agreement or perform its obligations hereunder; provided, however, that none of the following results, occurrences, facts, changes, events, effects, violations, penalties, inaccuracies or circumstances shall constitute or be taken into account in determining whether a Specified Material Adverse Effect has occurred, is continuing or would reasonably be expected to occur: (A) [reserved], (B) results, occurrences, facts, changes, events, violations, inaccuracies or circumstances affecting (1) the electric or gas utility businesses in the United States generally or (2) the economy, credit, financial, capital or commodity markets, in the United States or elsewhere in the world, including changes in interest rates, monetary policy or inflation, (C) changes or prospective changes in law (other than any law or regulation of California or the United States that is applicable to any electrical utility) or in GAAP or accounting standards, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing, (D) any decline in the market price, or change in trading volume, of any securities of PCG, (E) any failure to meet any internal or public projections, forecasts, guidance, estimates, milestones, credit ratings, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position, (F) [reserved] and (G) one or more wildfires, occurring on or after January 1, 2020, that destroys or damages fewer than 500 dwellings or commercial structures in the aggregate (it being understood that (I) the exceptions in clauses (D) and (E) shall not prevent or otherwise affect a determination that the underlying cause of any such change, decline or failure referred to therein is a Specified Material Adverse Effect,

and (II) a Specified Material Adverse Effect shall include the occurrence of one or more wildfires on or after January 1, 2020 destroying or damaging at least 500 dwellings or commercial structures within PCG's service area at a time when the portion of PCG's system at the location of such wildfire was not successfully de-energized).

"Standard A/R Securitization Obligations": representations, warranties, covenants, indemnities, repurchase obligations, servicing obligations, guarantees, intercompany notes and obligations relating to contributions of A/R Securitization Assets to an A/R Securitization Subsidiary and other obligations entered into by the Borrower or any of its Subsidiaries which are reasonably customary in A/R Securitization Transactions.

"Subsidiary": as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Supplemental Indenture": (i) with respect to that certain First Mortgage Bond in the aggregate principal amount of \$3,500,000,000 issued to the Designated Agent (which First Mortgage Bond was cancelled as of the Amendment No. 1 Effective Date), the Supplemental Indenture, dated as of the Effective Date, by and between the Borrower and the Indenture Trustee, (ii) with respect to that certain First Mortgage Bond in the aggregate principal amount of \$4,000,000,000 issued to the Designated Agent, the Supplemental Indenture, dated as of the Amendment No. 1 Effective Date, by and between the Borrower and the Indenture Trustee, ~~and (iii) with respect to that certain First Mortgage Bond in the aggregate principal amount of \$4,400,000,000 issued to the Designated Agent, the Supplemental Indenture, dated as of the Amendment No. 2 Effective Date, by and between the Borrower and the Indenture Trustee and (iv)~~ with respect to any new First Mortgage Bonds issued to the Designated Agent in connection with the Obligations hereunder, including, without limitation, pursuant to Sections 2.3(g) or 2.7(a).

"Supported QFC": as defined in Section 10.19.

"Swap Agreement": any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any of its Subsidiaries shall be a "Swap Agreement".

"Syndication Agents": as defined on the cover hereto.

"Taxes": all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Temporary Utility Debt”: the \$6,000,000,000 of Indebtedness of the Borrower in the form of term loans existing as of the Effective Date under that certain Term Loan Credit Agreement dated as of the Effective Date among the Borrower, the lenders party thereto and JPMorgan Chase Bank, N.A. as administrative agent, or under any Indebtedness (other than Securitized Bonds) of the Borrower issued or incurred in lieu of or to replace any portion of such term loans.

“Term Benchmark”: when used in reference to any Loan, refers to whether such Loan bears interest at a rate determined by reference to the Adjusted Term SOFR Rate.

“Term Benchmark Tranche”: the collective reference to Term Benchmark Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall have originally been made on the same day).

~~“Term SOFR”~~: ~~for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.~~ Determination Day: has the meaning assigned to it under the definition of Term SOFR Rate.

“Term SOFR Rate”: with respect to any Term Benchmark Loan and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period (such day, the “Term SOFR Determination Day”), as such rate is published by the CME Term SOFR Administrator.

“Term SOFR Reference Rate”: for any day and time, with respect to any Term Benchmark Loan denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum determined by the Designated Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on the Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“Termination Date”: ~~the date that is the fifth anniversary of the Amendment No. 1 Effective Date~~ June 22, 2027 or such later date as may be determined pursuant to Section 2.7(b) or such earlier date as otherwise determined pursuant to Section 2.7.

“Total Commitments”: at any time, the aggregate amount of the Commitments of all Lenders at such time.

“Total Extensions of Credit”: at any time, the aggregate amount of the Extensions of Credit of all Lenders at such time.

“Transferee”: any Assignee or Participant.

“Type”: as to any Loan, its nature as an ABR Loan or a ~~Eurodollar Loan~~ Term Benchmark.

“UK Financial Institution”: any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority)) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority”: the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement”: the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“United States” or “U.S.”: the United States of America.

“U.S. Government Securities Business Day”: any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person”: any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regime”: as defined in Section 10.19.

“U.S. Tax Compliance Certificate”: as defined in Section 2.16(e)(ii)(B)(III).

“Withdrawal Liability”: any liability to a Multiemployer Plan as a result of a complete or partial withdrawal by the Borrower or any Commonly Controlled Entity from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

“Write-Down and Conversion Powers”: (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the applicable Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to any UK Resolution Authority, any powers of such UK Resolution Authority under the applicable Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Definitional Provisions and Interpretative Provisions.

- (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.
- (b) As used herein and, except as otherwise provided therein, in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i)(i) accounting terms relating to the Borrower and its Significant Subsidiaries defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii)(ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (iii)(iii) the word “incur” shall be construed to mean incur, create, issue, assume or become liable in respect of (and the words “incurred” and “incurrence” shall have correlative meanings), (iv)(iv) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, and (v)(v) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time.
- (c) The words “hereof”, “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.
- (d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.
- (e) The Borrower shall not be required to perform, nor shall it be required to guarantee the performance of, any of the affirmative covenants set forth in Section 6 that apply to any of its Significant Subsidiaries nor shall any of the Borrower’s Significant Subsidiaries be required to perform, nor shall any of such Significant Subsidiaries be required to guarantee the performance of, any of the Borrower’s affirmative covenants set forth in Section 6 or any of the affirmative covenants set forth in Section 6 that apply to any other Significant Subsidiary; provided, that nothing in this Section 1.2(e) shall prevent the occurrence of a Default or an Event of Default arising out of the Borrower’s failure to cause any Significant Subsidiary to comply with the provisions of this Agreement applicable to such Significant Subsidiary.
- (f) Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any change in accounting for leases pursuant to GAAP resulting from the implementation of Financial Accounting Standards Board ASU No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2015.
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1.3 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Capital Stock at such time.

1.4 Interest Rates; ~~LIBOR~~Benchmark Notification. The interest rate on ~~Eurodollar Loans is determined by reference to the Eurodollar Base Rate, which is derived from the London interbank offered rate ("LIBOR"). LIBOR is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, the FCA publicly announced that: (a) immediately after December 31, 2021, publication of all seven euro LIBOR settings, all seven Swiss Franc LIBOR settings, the spot next, 1-week, 2-month and 12-month Japanese Yen LIBOR settings, the overnight, 1-week, 2-month and 12-month British Pound Sterling LIBOR settings, and the 1-week and 2-month U.S. Dollar LIBOR settings will permanently cease; immediately after June 30, 2023, publication of the overnight and 12-month U.S. Dollar LIBOR settings will permanently cease; immediately after December 31, 2021, the 1-month, 3-month and 6-month Japanese Yen LIBOR settings and the 1-month, 3-month and 6-month British Pound Sterling LIBOR settings will cease to be provided or, subject to consultation by the FCA, be provided on a changed methodology (or "synthetic") basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored; and immediately after June 30, 2023, the 1-month, 3-month and 6-month U.S. Dollar LIBOR settings will cease to be provided or, subject to the FCA's consideration of the case, be provided on a synthetic basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored. There is no assurance that dates announced by the FCA will not change or that the administrator of LIBOR and/or regulators will not take further action that could impact the availability, composition, or characteristics of LIBOR or the currencies and/or tenors for which LIBOR is published. Each party to this agreement should consult its own advisors to stay informed of any such developments. Public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR.~~ a Loan denominated in Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event ~~or an Early Opt-In Election~~, Section ~~2.13(b) and 2.13(eb)~~ provide the provides a mechanism for determining an alternative rate of interest. The ~~Designated Agent will promptly notify the Borrower, pursuant to Section 2.13(e), of any change to the reference rate upon which the interest rate on Eurodollar Loans is based. However, the~~ Designated Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the administration, submission, performance or any other matter related to ~~LIBOR or other rates in the definition of "Eurodollar Base Rate"~~ any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof ~~(including, without limitation, (i) any such alternative,~~

~~successor or replacement rate implemented pursuant to Section 2.13(b) or (c), whether upon the occurrence of a Benchmark Transition Event or an Early Opt-In Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.13(d)),~~ including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the ~~Eurodollar Base Rate~~existing interest rate being replaced or have the same volume or liquidity as did ~~the London interbank offered~~any existing interest rate prior to its discontinuance or unavailability; ~~or (b) the effect, implementation or composition of any Conforming Changes. The Designated Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Designated Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.~~

SECTION 2. AMOUNT AND TERMS OF COMMITMENTS

2.1 Commitments.

(a) Subject to the terms and conditions hereof, each Lender severally agrees to make revolving credit loans in Dollars (“Revolving Loans”) to the Borrower from time to time on or after the Effective Date and during the Commitment Period in an aggregate principal amount at any one time outstanding which, when added to such Lender’s Percentage of the L/C Obligations then outstanding, does not exceed the amount of such Lender’s Commitment; provided that, after giving effect to the Revolving Loans requested to be made, the aggregate amount of the Available Commitments shall not be less than zero and the Total Extensions of Credit may not at any time exceed the outstanding principal amount of the Senior Bond. During the Commitment Period, the Borrower may use the Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. The Revolving Loans may from time to time be ~~Eurodollar~~Term Benchmark Loans or ABR Loans, as determined by the Borrower and notified to the Designated Agent in accordance with Sections 2.2 and 2.9.

(b) The Borrower shall repay all outstanding Revolving Loans on the Termination Date; provided, that any principal payment under the Senior Bond shall automatically be deemed to be an equal principal payment in respect of the Revolving Loans (but any such principal payment under the Senior Bond shall not reduce the face amount thereof unless such payment is accompanied by an equal permanent reduction in the Total Commitments).

2.2 Procedure for Revolving Loan Borrowing. The Borrower may borrow under the Commitments during the Commitment Period on any Business Day, provided that the Borrower shall give the Designated Agent irrevocable notice (which notice must be received by the Designated Agent (a)(a) prior to 12:00 Noon, New York City time, three Business Days prior to the requested Borrowing Date, in the case of ~~Eurodollar~~Term Benchmark Loans, or (b)(b) prior to 1:00 P.M., New York City time, on the requested Borrowing Date, in the case of ABR Loans; provided that any notice of ABR Loans to be incurred on the Effective Date must be received prior to 1:00 P.M., New York City time, one Business Day prior to the Effective Date) specifying (i)(i) the amount and Type of Revolving Loans to be borrowed, (ii)(ii) the requested Borrowing Date and (iii)(iii) in the case of ~~Eurodollar~~Term Benchmark Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Period therefor. Each borrowing under the Commitments shall be in an amount equal to \$1,000,000 or a whole multiple of \$500,000 in excess thereof (or, if the then aggregate Available Commitments are less than \$1,000,000, such lesser amount). Upon receipt of any such notice from the Borrower, the Designated Agent shall promptly notify each Lender thereof. Each Lender will make the amount of its *pro rata* share of each borrowing available to the Designated Agent for the account of the Borrower at the Funding Office prior to 3:00 P.M., New York City time (or, for any borrowing to occur on the Effective Date, prior to 10:00 A.M., New York City time), on the Borrowing Date requested by the Borrower in funds immediately available to the Designated Agent. Such borrowing will then be made available to the Borrower by the Designated Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Designated Agent by the Lenders and in like funds as received by the Designated Agent.

2.3 Commitment Increases.

(a) In the event that the Borrower wishes to increase the Total Commitments at any time after the Amendment No. ~~1~~2 Effective Date, when no Default or Event of Default has occurred and is continuing (or shall result of such increase) and subject to obtaining all necessary regulatory approvals, it shall notify the Designated Agent in writing, given not more frequently than once per calendar year, of the amount (the "Revolving Credit Offered Increase Amount") of such proposed increase (such notice, a "Commitment Increase Notice") which shall be in a minimum amount equal to \$10,000,000 and shall not exceed, in the aggregate for all such increases, \$500,000,000; provided, that for the avoidance of doubt, the transactions contemplated by Amendment No. 1 and Amendment No. 2 shall not be deemed to constitute a Commitment Increase Notice from the Borrower. The Borrower shall offer each of the Lenders the opportunity to provide such Lender's Percentage of the Revolving Credit Offered Increase Amount, and if any Lender declines such offer, in whole or in part, the Borrower may offer such declined amount to (i)(i) other Lenders with the consent of the Issuing Lenders (which consents of the Issuing Lenders shall not be unreasonably withheld, conditioned or delayed) and/or (ii) (ii) other banks, financial institutions or other entities with the consent of the Designated Agent and the Issuing Lenders (which consents of the Designated Agent and the Issuing Lenders shall not be unreasonably withheld, conditioned or delayed). The Commitment Increase Notice shall specify the Lenders and/or banks, financial institutions or other entities that

will be requested to provide such Revolving Credit Offered Increase Amount. The Borrower or, if requested by the Borrower, the Designated Agent will notify such Lenders, and/or banks, financial institutions or other entities of such offer.

(b) Any additional bank, financial institution or other entity which the Borrower selects to offer a portion of the increased Total Commitments and which elects to become a party to this Agreement and obtain a Commitment in an amount so offered and accepted by it pursuant to Section 2.3(a) shall execute a new lender supplement (the “New Lender Supplement”) with the Borrower, the Issuing Lenders and the Designated Agent, substantially in the form of Exhibit A, whereupon such bank, financial institution or other entity (herein called a “New Revolving Credit Lender”) shall become a Lender for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement, provided that the Commitment of any such New Revolving Credit Lender shall be in an amount not less than \$5,000,000.

(c) Any Lender which accepts an offer to it by the Borrower to increase its Commitment pursuant to Section 2.3(a) shall, in each case, execute a commitment increase supplement with the Borrower, the Issuing Lenders and the Designated Agent, substantially in the form of Exhibit B, whereupon such Lender shall be bound by and entitled to the benefits of this Agreement with respect to the full amount of its Commitment as so increased.

(d) If any bank, financial institution or other entity becomes a New Revolving Credit Lender pursuant to Section 2.3(b) or any Lender's Commitment is increased pursuant to Section 2.3(c), additional Revolving Loans made on or after the effectiveness thereof (the “Revolving Credit Re-Allocation Date”) shall be made *pro rata* based on the Percentages in effect on and after such Revolving Credit Re-Allocation Date (except to the extent that any such *pro rata* borrowings would result in any Lender making an aggregate principal amount of Revolving Loans in excess of its Commitment, in which case such excess amount will be allocated to, and made by, such New Revolving Credit Lenders and/or Lenders with such increased Commitments to the extent of, and *pro rata* based on, their respective Commitments otherwise available for Revolving Loans), and continuations of ~~Eurodollar~~Term Benchmark Loans outstanding on such Revolving Credit Re-Allocation Date shall be effected by repayment of such ~~Eurodollar~~Term Benchmark Loans on the last day of the Interest Period applicable thereto and the making of new ~~Eurodollar~~Term Benchmark Loans *pro rata* based on such new Percentages. In the event that on any such Revolving Credit Re-Allocation Date there is an unpaid principal amount of ABR Loans, the Borrower shall make prepayments thereof and borrowings of ABR Loans so that, after giving effect thereto, the ABR Loans outstanding are held *pro rata* based on such new Percentages. In the event that on any such Revolving Credit Re-Allocation Date there is an unpaid principal amount of ~~Eurodollar~~Term Benchmark Loans, such ~~Eurodollar~~Term Benchmark Loans shall remain outstanding with the respective holders thereof until the expiration of their respective Interest Periods (unless the Borrower elects to prepay any thereof in accordance with the applicable provisions of this Agreement), and interest on and repayments

of such ~~Eurodollar~~Term Benchmark Loans will be paid thereon to the respective Lenders holding such ~~Eurodollar~~Term Benchmark Loans *pro rata* based on the respective principal amounts thereof outstanding.

(e) Notwithstanding anything to the contrary in this Section 2.3, (i)(i) no Lender shall have any obligation to increase its Commitment unless it agrees to do so in its sole discretion and unless the Designated Agent and the Issuing Lenders consent to such increase (which consents of the Designated Agent and the Issuing Lenders shall not be unreasonably withheld, conditioned or delayed); provided, that any Lender not responding to the Commitment Increase Notice within the time period prescribed therein shall be deemed to have declined to increase its Commitment and (ii)(ii) in no event shall any transaction effected pursuant to this Section 2.3 (A)(A) cause the Total Commitments to exceed ~~\$4,500,000,000~~4,200,000,000 or (B)(B) occur at a time at which a Default or an Event of Default has occurred and is continuing.

(f) The Designated Agent shall have received on or prior to the Revolving Credit Re-Allocation Date, for the benefit of the Lenders, (i)(i) a legal opinion of counsel to the Borrower covering such matters as are customary for transactions of this type as may be reasonably requested by the Designated Agent, which opinions shall be substantially the same, to the extent appropriate, as the opinions rendered by counsel to the Borrower on the Effective Date and (ii)(ii) certified copies of resolutions of the board of directors of the Borrower authorizing the Borrower to borrow the Revolving Credit Offered Increase Amount.

(g) In connection with any increase in the Total Commitments pursuant to this Section 2.3, the Borrower shall cause to be issued to the Designated Agent a new First Mortgage Bond (i) in the amount of the Total Commitment (giving effect to such increase) (in which case such new First Mortgage Bond shall replace any then-outstanding Senior Bonds) or (ii) in the amount of such increase, such that the aggregate principal amount of the Senior Bonds will, when taken together, equal the Total Commitment (giving effect to such increase).

2.4 [Reserved].

2.5 [Reserved].

2.6 Commitment Fees, Etc.

(a) The Borrower agrees to pay to the Designated Agent for the account of each Lender (other than a Defaulting Lender to the extent provided in Section 2.20) a commitment fee for the period from and including the Effective Date to the last day of the Commitment Period, in an amount equal to the Commitment Fee Rate multiplied by the daily average Available Commitment of such Lender during the period for which payment is made, payable quarterly in arrears on each Fee Payment Date, commencing on the first such date to occur after the Effective Date.

(b) The Borrower agrees to pay to the Designated Agent the fees in the amounts and on the dates as set forth in any written, duly executed fee agreements with the Designated Agent and to perform any other obligations contained therein.

2.7 Termination or Reduction of Commitments; Extension of Termination Date.

(a) The Borrower shall have the right, upon not less than three Business Days' notice to the Designated Agent, to terminate the Commitments or, from time to time, to reduce the amount of the Commitments; provided that no such termination or reduction of Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Revolving Loans made on the effective date thereof, the Total Extensions of Credit would exceed the Total Commitments. Any such reduction shall be in an amount equal to \$1,000,000, or a whole multiple thereof, and shall reduce permanently the Commitments then in effect. In connection with any such termination or reduction, the Borrower may request that a new First Mortgage Bond be issued to the Designated Agent in the amount of the Total Commitment (giving effect to such termination or reduction) and such new First Mortgage Bond shall replace any then-outstanding Senior Bonds.

(b) The Borrower may, by written notice to the Designated Agent (such notice being an "Extension Notice") ~~given no more frequently than once in each calendar year~~, on not more than ~~two occasions~~, one occasion after the Amendment No. 2 Effective Date request the Lenders to consider an extension of the then applicable Termination Date to a later date (which shall be a Business Day), which extension shall not exceed one year from the then applicable Termination Date ~~in each instance~~; provided, that for the avoidance of doubt, the transactions contemplated by Amendment No. 1 shall not be deemed to constitute an Extension Notice from the Borrower. The Designated Agent shall promptly transmit any Extension Notice to each Lender. Each Lender shall notify the Designated Agent whether it wishes to extend the then applicable Termination Date not later than 30 days after the date of such Extension Notice, and any such notice given by a Lender to the Designated Agent, once given, shall be irrevocable as to such Lender. Any Lender which does not expressly notify the Designated Agent prior to the expiration of such thirty-day period that it wishes to so extend the then applicable Termination Date shall be deemed to have rejected the Borrower's request for extension of such Termination Date. Lenders consenting to extend the then applicable Termination Date are hereinafter referred to as "Continuing Lenders", and Lenders declining to consent to extend such Termination Date (or Lenders deemed to have so declined) are hereinafter referred to as "Non-Extending Lenders". If the Required Lenders have elected (in their sole and absolute discretion) to so extend the Termination Date, the Designated Agent shall promptly notify the Borrower of such election by the Required Lenders, and effective on the date which is 30 days after the date of such notice by the Designated Agent to the Borrower, the Termination Date shall be automatically and immediately so extended with regard to the Continuing Lenders. No extension will be permitted hereunder without the consent of the Required Lenders. Upon the delivery of an Extension Notice and upon the extension of the Termination Date pursuant to this Section, the Borrower shall be deemed to have represented and warranted on and as of the

date of such Extension Notice and the effective date of such extension, as the case may be, that no Default or Event of Default has occurred and is continuing. Notwithstanding anything contained in this Agreement to the contrary, no Lender shall have any obligation to extend the Termination Date, and each Lender may at its option, unconditionally and without cause, decline to extend the Termination Date.

(c) If the Termination Date shall have been extended in accordance with this Section 2.7, all references herein to the "Termination Date" (except with respect to any Non-Extending Lender) shall refer to the Termination Date as so extended.

(d) If any Lender shall determine (or be deemed to have determined) not to extend the Termination Date as requested by any Extension Notice given by the Borrower pursuant to this Section, the Commitment of such Non-Extending Lender (including the obligations of such Lender under Section 3.4 and, if such Non-Extending Lender is also an Issuing Lender, the obligation of such Issuing Lender to issue Letters of Credit pursuant to Section 3) shall terminate on the Termination Date without giving any effect to such proposed extension, and the Borrower shall on such date pay to the Designated Agent, for the account of such Non-Extending Lender, the principal amount of, and accrued interest on, such Non-Extending Lender's Loans and outstanding Reimbursement Obligations, together with any amounts payable to such Lender pursuant to Section 2.17 and any and all fees or other amounts owing to such Non-Extending Lender under this Agreement (including, if such Non-Extending Lender is an Issuing Lender, such accrued fronting fees as may have been agreed between the Borrower and such Issuing Lender); provided that if the Borrower has replaced such Non-Extending Lender pursuant to Section 2.7(e) then the provisions of such paragraph shall apply. The Total Commitments (but not, for the avoidance of doubt, except as hereinafter provided, the L/C Commitment) shall be reduced by the amount of the Commitment of such Non-Extending Lender to the extent the Commitment of such Non-Extending Lender has not been transferred to one or more Continuing Lenders pursuant to Section 2.7(e), provided that, if the Total Commitments, after giving effect to the reduction in the Total Commitments due to Non-Extending Lenders which are not replaced pursuant to Section 2.7(e), is less than the L/C Commitment, the L/C Commitment shall be reduced by an amount equal to such excess.

(e) A Non-Extending Lender shall be obligated, at the request of the Borrower and subject to (i)(i) payment by the successor Lender described below to the Designated Agent for the account of such Non-Extending Lender of the principal amount of, and accrued interest on, such Non-Extending Lender's Loans, and (ii)(ii) payment by the Borrower to such Non-Extending Lender of any amounts payable to such Non-Extending Lender pursuant to Section 2.17 (as if the purchase of such Non-Extending Lender's Loans constituted a prepayment thereof) and any and all fees or other amounts owing to such Non-Extending Lender under this Agreement (including, if such Non-Extending Lender is an Issuing Lender, such accrued fronting fees as may have been agreed between the Borrower and such Issuing Lender), to transfer without recourse, representation, warranty (other than a representation that

such Lender has not created an adverse claim on its Loans) or expense to such Non-Extending Lender, at any time prior to the Termination Date applicable to such Non-Extending Lender, all of such Non-Extending Lender's rights and obligations hereunder to another financial institution or group of financial institutions nominated by the Borrower and willing to participate as a successor Lender in the place of such Non-Extending Lender; provided that, if such transferee is not already a Lender, ~~(1)~~ such transferee satisfies all the requirements of this Agreement, and ~~(2)~~ the Designated Agent and each Issuing Lender that is a Continuing Lender shall have consented to such transfer, which consent shall not be unreasonably withheld, conditioned or delayed. Each such transferee successor Lender shall be deemed to be a Continuing Lender hereunder in replacement of the transferor Non-Extending Lender and shall enjoy all rights and assume all obligations on the part of such Non-Extending Lender set forth in this Agreement. Each such transfer shall be effected pursuant to an Assignment and Assumption.

(f) If the Termination Date shall have been extended in respect of Continuing Lenders in accordance with this Section, any notice of borrowing pursuant to Section 2.2 specifying a Borrowing Date occurring after the Termination Date applicable to a Non-Extending Lender or requesting an Interest Period extending beyond such date shall (i)(i) have no effect in respect of such Non-Extending Lender and (ii)(ii) not specify a requested aggregate principal amount exceeding the aggregate Available Commitments (calculated on the basis of the Commitments of the Continuing Lenders).

2.8 Optional Prepayments.

~~(a)~~ The Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Designated Agent no later than 12:00 Noon, New York City time, three Business Days prior thereto, in the case of **Eurodollar Term Benchmark** Loans, and no later than 2:00 p.m., New York City time, one Business Day prior thereto, in the case of ABR Loans, which notice shall specify the date and amount of prepayment and whether the prepayment is of **Eurodollar Term Benchmark** Loans or ABR Loans; provided, that if a **Eurodollar Term Benchmark** Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.17. Upon receipt of any such notice the Designated Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Revolving Loans which shall be in an aggregate principal amount of \$1,000,000 or a whole multiple of \$500,000 in excess thereof. Notwithstanding the foregoing, any notice of prepayment delivered in connection with any refinancing of all of the Loans and Commitments with the proceeds of such refinancing or of any other incurrence of Indebtedness or the occurrence of some other identifiable event or condition, may be, if expressly so stated to be, contingent upon the consummation of such refinancing or incurrence or occurrence of such other identifiable event or condition and may be revoked by the Borrower, subject to compliance with the obligations under Section 2.17 in connection with any such revocation, in the event such contingency is not met.

2.9 Conversion and Continuation Options.

(a) The Borrower may elect from time to time to convert **EurodollarTerm Benchmark** Loans to ABR Loans by giving the Designated Agent prior irrevocable notice of such election no later than 12:00 Noon, New York City time, on the Business Day preceding the proposed conversion date, provided that any such conversion of **EurodollarTerm Benchmark** Loans may only be made on the last day of an Interest Period with respect thereto. The Borrower may elect from time to time to convert ABR Loans to **EurodollarTerm Benchmark** Loans by giving the Designated Agent prior irrevocable notice of such election no later than 12:00 Noon, New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest Period therefor), provided that no ABR Loan may be converted into a **EurodollarTerm Benchmark** Loan when any Event of Default has occurred and is continuing and the Required Lenders have determined in their sole discretion not to permit such conversions. Upon receipt of any such notice the Designated Agent shall promptly notify each relevant Lender thereof.

(b) Any **EurodollarTerm Benchmark** Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice to the Designated Agent, in accordance with the applicable provisions of the defined term “Interest Period”, of the length of the next Interest Period to be applicable to such Loans, provided that no **EurodollarTerm Benchmark** Loan may be continued as such when any Event of Default has occurred and is continuing and the Required Lenders have determined in their sole discretion not to permit such continuations; provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph, subject to the preceding proviso, such Loans shall be automatically continued as **EurodollarTerm Benchmark** Loans with an Interest Period of one month on the last day of such then expiring Interest Period. Upon receipt of any such notice the Designated Agent shall promptly notify each relevant Lender thereof.

2.10 Limitations on **EurodollarTerm Benchmark** Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of **EurodollarTerm Benchmark** Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that (a)(a) after giving effect thereto, the aggregate principal amount of the **EurodollarTerm Benchmark** Loans comprising each **EurodollarTerm Benchmark** Tranche shall be equal to \$1,000,000 or a whole multiple of \$500,000 in excess thereof and (b)(b) no more than 15 **EurodollarTerm Benchmark** Tranches shall be outstanding at any one time.

2.11 Interest Rates and Payment Dates.

(a) Each **EurodollarTerm Benchmark** Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the **EurodollarAdjusted Term SOFR** Rate determined for such day plus the Applicable Margin.

(b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(c) (i)(i) If all or a portion of the principal amount of any Loan or Reimbursement Obligation shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a default rate per annum equal to (x) in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section plus 2% or (y) in the case of Reimbursement Obligations, the rate applicable to ABR Loans plus 2%, and (ii)(ii) if all or a portion of any interest payable on any Loan or Reimbursement Obligation or any commitment fee, letter of credit fee, or any other fee payable (excluding any expenses or other indemnity) hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a default rate per annum equal to the rate then applicable to ABR Loans plus 2%, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (as well after as before judgment).

(d) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to Section 2.11(c) shall be payable from time to time on demand.

(e) The amount of each interest payment received by the Designated Agent under the Senior Bond shall be deemed to be a payment of interest payable by the Borrower hereunder and shall reduce, dollar-for-dollar, the amount of interest then owing by the Borrower hereunder.

2.12 Computation of Interest and Fees.

(a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans the rate of interest on which is calculated on the basis of ABR, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Designated Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of ~~a Eurodollar~~ the ABR and the Adjusted Term SOFR Rate. Any change in the interest rate on a Loan resulting from a change in the ABR ~~(or the Eurocurrency Reserve Requirements, for purposes of any determination of the ABR pursuant to clause (c) thereof, the Adjusted Term SOFR Rate)~~ shall become effective as of the opening of business on the day on which such change becomes effective. The Designated Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Designated Agent pursuant to any provision of this Agreement shall constitute prima facie evidence of such amounts. The Designated Agent shall, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender a statement showing the quotations used by the Designated Agent in determining any interest rate pursuant to Section 2.11(a).

2.13 Inability to Determine Interest Rate.

(a) Subject to clauses (b), (c), (d), (e), ~~and (f) and (g)~~ of this Section 2.13, if ~~prior to the commencement of any Interest Period for a Eurodollar Loan~~:

(i) the Designated Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Loan, that adequate and reasonable means do not exist for ascertaining the ~~Eurodollar~~ Adjusted Term SOFR Rate or the ~~Eurodollar Base~~ Term SOFR Rate, ~~as applicable~~ (including because the ~~Eurodollar Screen~~ Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period, ~~provided that no Benchmark Transition Event shall have occurred at such time~~ or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple SOFR Rate, Daily Simple SOFR; or

(ii) the Designated Agent is advised by the Required Lenders that ~~the Eurodollar Rate or the Eurodollar Base Rate, as applicable~~, (A) prior to the commencement of any Interest Period for a Term Benchmark Loan, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) ~~included in the applicable borrowing~~ or (B) at any time, Adjusted Daily Simple SOFR Rate will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan);

then the Designated Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Designated Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any notice from the Borrower to the Designated Agent that requests the conversion of any Loans to, or continuation of any Loans as, a ~~Eurodollar borrowing shall be ineffective~~ Term Benchmark Loan shall instead be deemed to request the conversion of any Loans to, or continuation of any Loans as, (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not also the subject of Section 2.13(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate also is the subject of Section 2.13(a)(i) or (ii) above and (B) if any borrowing notice delivered pursuant to Section 2.2 requests a borrowing of ~~Eurodollar~~ Term Benchmark Loans, such borrowing (unless the applicable notice of borrowing shall have been withdrawn by the Borrower) shall be made as ~~an ABR Loan~~ (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not also the subject of Section 2.13(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate also is the subject of Section 2.13(a)(i) or (ii) above; provided that if the circumstances giving rise to such notice affect only one Type of borrowings, then the other Type of borrowings shall be permitted.

(b) ~~Replacing USD LIBOR~~. Notwithstanding anything to the contrary herein or in any other Loan Document, ~~on March 5, 2021 the Financial Conduct Authority ("FCA"), the regulatory supervisor of the Eurodollar Base Rate's administrator ("IBA"), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-week, 1-month, 3-month, 6-month and 12-month Eurodollar Base Rate~~

tenor settings. ~~On the earlier of (i) the date that all Available Tenors of the Eurodollar Base Rate have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is the Eurodollar Base Rate, the Benchmark (and any Swap Agreement shall be deemed not to be a “Loan Document” for purposes of this Section 2.13), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark~~ Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of ~~any setting of~~ such Benchmark ~~on such day and all~~ setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. ~~If the and (y) if a Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.~~

~~(e) determined in accordance with clause (2) of Replacing Future Benchmarks. Upon the occurrence of a Benchmark Transition Event, the the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement~~ will replace ~~the then-current~~ such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Designated Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. ~~Upon the occurrence of a Benchmark Transition Event, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower’s receipt of notice from the Designated Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to ABR Loans. During the period referenced in the foregoing sentence, the component of ABR based upon the Benchmark will not be used in any determination of ABR. of each affected Class.~~

(c) ~~(d) Benchmark Replacement Conforming Changes. In connection with the implementation and administration of a Benchmark Replacement, Notwithstanding anything to the contrary herein or in any other Loan Document,~~ the Designated Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) ~~(e) Notices; Standards for Decisions and Determinations.~~ The Designated Agent will promptly notify the Borrower and the Lenders of ~~(i)~~

~~(i)(i) any occurrence of a Benchmark Transition Event, (ii)(ii) the implementation of any Benchmark Replacement and (iii)(iii) the effectiveness of any Benchmark Replacement Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Designated Agent as set forth in this Section 2.13 may be provided, at the option of the Designated Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes, (iv)(iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v)(v) the commencement or conclusion of any Benchmark Unavailability Period.~~ Any determination, decision or election that may be made by the Designated Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.13, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party ~~hereto~~ to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.13.

(e) ~~(f) Unavailability of Tenor of Benchmark. At~~ Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), ~~(i)(i) if the then-current Benchmark is a term rate (including the Term SOFR or Eurodollar Base Rate) Rate) and either (A) (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Designated Agent in its reasonable discretion or (B)(B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Designated Agent may remove any tenor of such~~ modify the definition of "Interest Period" for any Benchmark that is ~~settings at or after such time to remove such~~ unavailable or non-representative ~~for~~ tenor and (ii)(ii) if a tenor that was removed pursuant to clause (i) above either (A)(A) is subsequently displayed on a screen or information service for a ~~settings and (ii) or (B)(B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Designated Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to ~~reinstates any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.~~~~

~~(g) Disclaimer. The Designated Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "Eurodollar Rate" or "Eurodollar Base Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the~~

~~composition or characteristics of any Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to the Eurodollar Base Rate (or any other Benchmark) or have the same volume or liquidity as did the Eurodollar Base Rate (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 2.13 including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by clause (c) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 2.13.~~

(f) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Loan or conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any request for a Term Benchmark Loan into a request for a Loan of or conversion to (A) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not the subject of a Benchmark Transition Event or (B) an ABR Loan if the Adjusted Daily Simple SOFR Rate is the subject of a Benchmark Transition Event. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.13, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Designated Agent to, and shall constitute, (x) an RFR Loan so long as the Adjusted Daily Simple SOFR Rate is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple SOFR Rate is the subject of a Benchmark Transition Event, on such day.

2.14 Pro Rata Treatment and Payments; Notes.

(a) Each borrowing by the Borrower from the Lenders hereunder, each payment by the Borrower on account of any commitment fee and any

reduction of the Commitments of the Lenders shall be made pro rata according to the respective Percentages of the Lenders.

(b) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Revolving Loans shall be made pro rata according to the respective outstanding principal amounts of the Revolving Loans then held by the Lenders. Each payment in respect of Reimbursement Obligations in respect of any Letter of Credit shall be made to the Issuing Lender that issued such Letters of Credit.

(c) Notwithstanding anything to the contrary herein, all payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, Reimbursement Obligations, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 4:00 P.M., New York City time, on the due date thereof to the Designated Agent, for the account of the Lenders or the Issuing Lenders, as applicable, at the Funding Office, in Dollars and in immediately available funds. The Designated Agent shall distribute such payments to the Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the ~~Eurodollar~~Term Benchmark Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a ~~Eurodollar~~Term Benchmark Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(d) Unless the Designated Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Designated Agent, the Designated Agent may assume that such Lender is making such amount available to the Designated Agent, and the Designated Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Designated Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Designated Agent, on demand, such amount with interest thereon, at a rate equal to the greater of (i)(i) the ~~Federal Funds Effective~~NYFRB Rate and (ii)(ii) a rate determined by the Designated Agent in accordance with banking industry rules on interbank compensation, for the period until such Lender makes such amount immediately available to the Designated Agent. A certificate of the Designated Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Designated Agent by such Lender within three Business Days after such Borrowing Date, the Designated Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans from the Borrower within 30 days after written demand therefor.

(e) Unless the Designated Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Designated

Agent, the Designated Agent may assume that the Borrower is making such payment, and the Designated Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective *pro rata* shares of a corresponding amount. If such payment is not made to the Designated Agent by the Borrower within three Business Days after such due date, the Designated Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the ~~daily average Federal Funds Effective~~ NYFRB Rate. Nothing herein shall be deemed to limit the rights of the Designated Agent or any Lender against the Borrower.

(f) The Borrower agrees that, upon the request to the Designated Agent by any Lender, the Borrower will promptly execute and deliver to such Lender a promissory note (a “Note”) of the Borrower evidencing any Revolving Loans of such Lender, substantially in the form of Exhibit H, with appropriate insertions as to date and principal amount; provided, that delivery of Notes shall not be a condition precedent to the occurrence of the Effective Date or the making of Loans on the Effective Date.

(g) If any Lender shall fail to make any payment required to be made by it pursuant to Section 3.4 or 2.14(d), then the Designated Agent may, in its discretion and notwithstanding any contrary provision hereof, (i)(i) apply any amounts thereafter received by the Designated Agent hereunder for the account of such Lender for the benefit of the Designated Agent or any Issuing Lender to satisfy such Lender’s obligations to the Designated Agent or such Issuing Lender, as the case may be, under such Section until all such unsatisfied obligations are fully paid, and/or (ii)(ii) so long as such Lender is a Defaulting Lender, hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any such Section, in the case of each of clauses (i) and (ii) above, in any order as determined by the Designated Agent in its discretion.

2.15 Change of Law.

(a) If a Change of Law shall:

- (i) subject any Recipient to any Taxes (other than (A)(A) Indemnified Taxes, (B)(B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C)(C) Connection Income Taxes) on its Loans, Letters of Credit or Commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;
 - (ii) impose, modify or hold applicable any reserve, special deposit, compulsory loan, Federal Deposit Insurance Corporation insurance charge or other similar insurance charge or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any Lender or any Issuing Lender that is not otherwise included in the determination of the ~~Eurodollar~~ Adjusted Term SOFR Rate, which requirements are generally applicable to advances, loans and other extensions of credit made by such Lender or such Issuing Lender; or
 - (iii) impose on any Lender or any Issuing Lender any other condition that is generally applicable to loans made by such
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Lender or Letters of Credit issued by such Issuing Lender or participations therein by a Lender;

and the result of any of the foregoing is to increase the cost to such Lender or such other Recipient, by an amount that such Lender or such other Recipient deems to be material, of making, converting into, continuing or maintaining Loans or issuing or participating in Letters of Credit, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall promptly pay such Lender or such other Recipient, within ten Business Days after its demand, any additional amounts necessary to compensate such Lender or such other Recipient for such increased cost or reduced amount receivable. If any Lender or other Recipient becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Borrower (with a copy to the Designated Agent) of the event by reason of which it has become so entitled; provided, however, that no Lender or other Recipient shall be entitled to demand such compensation more than 90 days following (x) the last day of the Interest Period in respect of which such demand is made or (y) the repayment of the Loan in respect of which such demand is made, and no Issuing Lender shall be entitled to demand such compensation more than 90 days following the expiration or termination (by drawing or otherwise) of the Letter of Credit issued by it in respect of which such demand is made. Notwithstanding any other provision herein, no Lender shall demand compensation pursuant to this Section 2.15 if it shall not at the time be the general policy or practice of such Lender to demand such compensation from similarly situated borrowers (to the extent that such Lender has the right to do so under its credit facilities with similarly situated borrowers).

(b) If any Lender or any Issuing Lender shall have determined that a Change of Law regarding capital or liquidity requirements shall have the effect of reducing the rate of return on such Lender's or such Issuing Lender's capital or the capital of any corporation controlling such Lender or such Issuing Lender as a consequence of its obligations hereunder or under or in respect of any Letter of Credit to a level below that which such Lender, such Issuing Lender or such corporation could have achieved but for such Change of Law (taking into consideration such Lender's, such Issuing Lender's or such corporation's policies with respect to capital adequacy or liquidity) by an amount deemed by such Lender or such Issuing Lender to be material, then from time to time, after submission by such Lender or such Issuing Lender to the Borrower (with a copy to the Designated Agent) of a written request therefor, the Borrower shall pay to such Lender or such Issuing Lender such additional amount or amounts as will compensate such Lender, such Issuing Lender or such corporation for such reduction.

(c) A certificate as to any additional amounts payable pursuant to this Section 2.15 submitted by any Lender, any Issuing Lender or any other Recipient to the Borrower (with a copy to the Designated Agent) shall constitute prima facie evidence of such costs or amounts. Notwithstanding anything to the contrary in this Section 2.15, the Borrower shall not be required to compensate a Lender, any Issuing Lender or any other Recipient pursuant to this Section 2.15 for any amounts incurred more than six months prior to the date that such Lender, such Issuing Lender or such other Recipient notifies the Borrower of such Lender's, such Issuing Lender's or such other Recipient's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect not to exceed twelve months. The obligations of the Borrower pursuant

to this Section 2.15 shall survive for 90 days after the termination of this Agreement and the payment of the Loans and all other amounts then due and payable hereunder.

2.16 Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable laws. If any applicable laws (as determined in the good faith discretion of the Borrower or Designated Agent making the payment) require the deduction or withholding of any Tax from any such payment, then (A)(A) the Borrower or Designated Agent, as applicable shall withhold or make such deductions as are determined by the Borrower or the Designated Agent to be required, (B)(B) the Borrower or Designated Agent, as applicable shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such laws, and (C)(C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 2.16) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Without limiting the provisions of subsection (a) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Designated Agent timely reimburse it for the payment of, any Other Taxes.

(c) (i) The Borrower shall, and does hereby, indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or another Recipient (with a copy to the Designated Agent), or by the Designated Agent on its own behalf or on behalf of a Lender or another Recipient, shall be conclusive absent manifest error.

(i) ~~(ii)~~ Each Lender and each Issuing Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Designated Agent against any Indemnified Taxes attributable to such Lender or such Issuing Lender (but only to the extent that the Borrower has not already indemnified the Designated Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (y) the Designated Agent against any Taxes attributable to such Lender's or such Issuing Lender's failure to comply with the provisions of Section 10.6(c)(iii) relating to the maintenance of a Participant Register and (z) the Designated Agent against any Excluded Taxes attributable to

such Lender or such Issuing Lender, in each case, that are payable or paid by the Designated Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender or any Issuing Lender by the Designated Agent shall be conclusive absent manifest error. Each Lender and each Issuing Lender hereby authorizes the Designated Agent to set off and apply any and all amounts at any time owing to such Lender or such Issuing Lender, as the case may be, under this Agreement or any other Loan Document against any amount due to the Designated Agent under this clause (ii).

(d) Upon request by the Borrower or the Designated Agent, as the case may be, after any payment of Taxes by the Borrower or by the Designated Agent to a Governmental Authority as provided in this Section 2.16, the Borrower shall deliver to the Designated Agent or the Designated Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Designated Agent, as the case may be.

(e) (i) Any Lender or any Issuing Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Designated Agent, at the time or times reasonably requested by the Borrower or the Designated Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Designated Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender or any Issuing Lender, if reasonably requested by the Borrower or the Designated Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Designated Agent as will enable the Borrower or the Designated Agent to determine whether or not such Lender or such Issuing Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.16(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's or any Issuing Lender's reasonable judgment such completion, execution or submission would subject such Lender or such Issuing Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender or such Issuing Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender or any Issuing Lender that is a U.S. Person shall deliver to the Borrower and the Designated Agent on or prior to the date on which such Lender or such Issuing Lender

becomes a Lender or an Issuing Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Designated Agent), executed copies of IRS Form W-9 certifying that such Lender or such Issuing Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Designated Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender or an Issuing Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Designated Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(II) executed copies of IRS Form W-8ECI;

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner.

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Designated Agent (in such number of copies as shall be requested by

the recipient) on or prior to the date on which such Foreign Lender becomes a Lender or an Issuing Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Designated Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Designated Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender or any Issuing Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender or such Issuing Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender or such Issuing Lender shall deliver to the Borrower and the Designated Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Designated Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3) (C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Designated Agent as may be necessary for the Borrower and the Designated Agent to comply with their obligations under FATCA and to determine that such Lender or such Issuing Lender has complied with such Lender's or such Issuing Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Effective Date.

(iii) Each Lender and each Issuing Lender agrees that if any form or certification it previously delivered pursuant to this Section 2.16 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Designated Agent in writing of its legal inability to do so.

(f) At no time shall the Designated Agent have any obligation to file for or otherwise pursue on behalf of a Lender or an Issuing Lender any refund of Taxes withheld or deducted from funds paid for the account of such Lender or such Issuing Lender, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of, or credit with respect to, any Taxes as to which it has been indemnified pursuant to this Section 2.16 (including by the payment of additional amounts pursuant to this Section 2.16), it shall pay to the Borrower an amount equal to such refund or credit (but only to the extent of indemnity payments made under this Section 2.16 with respect to the Taxes giving rise to such refund or credit), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit). The Borrower, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such indemnified party is required to repay such refund or credit to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to the Borrower pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to

indemnification and giving rise to such refund or credit had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph (f) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

(g) Each party's obligations under this Section 2.16 shall survive for one year after the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.17 Indemnity. The Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any loss (other than the loss of Applicable Margin) or expense that such Lender may sustain or incur as a consequence of (a)(a) default by the Borrower in making a borrowing of, conversion into or continuation of ~~Eurodollar~~Term Benchmark Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b)(b) default by the Borrower in making any prepayment of or conversion from ~~Eurodollar~~Term Benchmark Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c)(c) the making of a prepayment of ~~Eurodollar~~Term Benchmark Loans on a day that is not the last day of an Interest Period with respect thereto. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be conclusive in the absence of manifest error. This covenant shall survive for 90 days after the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.18 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.15 or 2.16 with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event with the object of avoiding the consequences of such event; provided, that such designation is made on terms that, in the sole but reasonable judgment of such Lender, cause such Lender and its lending office(s) to suffer no unreimbursed economic disadvantage or any legal or regulatory disadvantage, and provided, further, that nothing in this Section shall affect or postpone any of the obligations of the Borrower or the rights of any Lender pursuant to Section 2.15 or 2.16.

2.19 Replacement of Lenders. The Borrower shall be permitted to replace any Lender that (a)(a) requests (on its behalf or any of its Participants) reimbursement for amounts owing pursuant to Section 2.15 or 2.16, (b) provides notice under Section 2.21 or (c) becomes a Defaulting Lender, with a replacement financial institution; provided that (i)(i) such replacement does not conflict with any Requirement of Law, (ii)(ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii)(iii) prior to any such replacement, such Lender shall have taken no action under Section 2.18 which eliminates the continued need for payment of amounts owing pursuant to Section 2.15 or 2.16, (iv)(iv) the replacement financial institution shall purchase, at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (v)(v) the Borrower shall be liable to such replaced Lender under Section 2.17 if any ~~Eurodollar~~Term Benchmark Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (vi)(vi) the replacement financial institution, if not

already a Lender, shall be reasonably satisfactory to the Designated Agent, (vii)(vii) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein), (viii)(viii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.15 or 2.16, as the case may be, and (ix)(ix) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Designated Agent or any other Lender shall have against the replaced Lender.

2.20 Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(a) any payment of principal, interest, fees or other amounts (other than those described in Section 2.20(b)) received by the Designated Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 7 or otherwise, and including any amounts made available to the Designated Agent by that Defaulting Lender pursuant to Section 9.7), shall be applied at such time or times as may be determined by the Designated Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Designated Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to any Issuing Lender hereunder; *third*, if so requested by any Issuing Lender with a Letter of Credit outstanding or with unreimbursed drawings owing under a Letter of Credit, to be held as cash collateral in respect of such Defaulting Lender's Percentage of such L/C Obligations; *fourth*, if so determined by the Designated Agent or requested by any Issuing Lender, to be held as cash collateral for future funding obligations of that Defaulting Lender of any participation in any L/C Obligations; *fifth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Designated Agent; *sixth*, if so determined by the Borrower with the consent of the Designated Agent, not to be unreasonably withheld, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *seventh*, to the payment of any amounts owing to the Lenders or any Issuing Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender or any Issuing Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *eighth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *ninth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a payment of the principal amount of any Loans or unreimbursed drawings under Letters of Credit in respect of which that Defaulting Lender has not fully funded its appropriate share such payment shall be applied solely to pay the Loans and unreimbursed drawings under Letters of Credit of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of that Defaulting

Lender or participating interests of that Defaulting Lender in unreimbursed drawings under Letters of Credit. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.20(a) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto;

(b) [reserved];

(c) during any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit pursuant to Section 3.4, the Percentage of each non-Defaulting Lender shall be computed without giving effect to the Commitment of that Defaulting Lender; provided, that, (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists; and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in L/C Obligations shall not exceed the positive difference, if any, of (1) the Commitment of that non-Defaulting Lender minus (2) the aggregate outstanding Loans of that Lender and that Lender's Percentage of L/C Obligations. Subject to Section 10.20, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender's increased exposure following such reallocation.

(d) if the reallocation described in paragraph (c) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Designated Agent (after giving effect to any partial reallocation pursuant to paragraph (c) above) deposit cash with the Designated Agent as collateral to secure such Defaulting Lender's Percentage of any outstanding L/C Obligations for so long as any such L/C Obligation are outstanding; and

(e) that Defaulting Lender's right to approve or disapprove any amendment, supplement, modification, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 10.1.

If the Borrower, the Designated Agent and each Issuing Lender reasonably determine in writing that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Designated Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans and Participation Amounts of the other Lenders or take such other actions as the Designated Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Percentages (without giving effect to Section 2.20(c)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further,

that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Cash collateral held by the Designated Agent to reduce Fronting Exposure shall be released to the applicable Lender promptly following (i)(i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 10.6)); (ii)(ii) the Designated Agent's good faith determination that there exists excess cash collateral; and (iii)(iii) the termination of the Commitment Period and the repayment in full of all outstanding Loans and L/C Obligations.

2.21 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain, or fund Loans whose interest is determined by reference to the ~~Eurodollar~~Adjusted Term SOFR Rate, or to determine or charge interest rates based upon the ~~Eurodollar~~Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank marketAdjusted Term SOFR Rate, then, upon notice thereof by such Lender to the Borrower (through the Designated Agent), (a) any obligation of such Lender to make or continue ~~Eurodollar~~Term Benchmark Loans or to convert ABR Loans to ~~Eurodollar~~Term Benchmark Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining ABR Loans the interest rate on which is determined by reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR, the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Designated Agent without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR, in each case until such Lender notifies the Designated Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Designated Agent), prepay or, if applicable, convert all ~~Eurodollar~~Term Benchmark Loans of such Lender to ABR Loans (the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Designated Agent without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component of the ABR), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such ~~Eurodollar~~Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such ~~Eurodollar~~Term Benchmark Loans and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the ~~Eurodollar~~Adjusted Term SOFR Rate, the Designated Agent shall during the period of such suspension compute the ABR applicable to such Lender without reference to the ~~Eurodollar~~Adjusted Term SOFR Rate component thereof until the Designated Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the ~~Eurodollar~~Adjusted Term SOFR Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.17.

SECTION 3. LETTERS OF CREDIT

3.1 L/C Commitment.

(a) Subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the other Lenders set forth in Section 3.4(a), agrees to issue standby and commercial letters of credit (the letters of credit issued pursuant to this Section 3 and including each Existing Letter of Credit, collectively, the “Letters of Credit”) for the account of the Borrower on any Business Day on or after the Effective Date and during the Commitment Period in such form as may be approved from time to time by such Issuing Lender; provided, that each of Goldman Sachs Bank USA, Credit Suisse AG, New York Branch, Barclays Bank PLC and their respective Affiliates shall not be required to issue any commercial letters of credit; provided further that no Issuing Lender shall issue, amend or extend any Letter of Credit if, after giving effect to such issuance, amendment or extension, (i)(i) the aggregate amount of L/C Obligations owed by the Borrower to any Issuing Lender shall exceed the amount of such Issuing Lender’s L/C Pro Rata Commitment (or such higher amount agreed upon in writing between the Borrower and such Issuing Lender), (ii)(ii) the L/C Obligations would exceed the L/C Commitment, (iii)(iii) the aggregate amount of the Available Commitments would be less than zero or (iv) the Total Extensions of Credit would exceed the outstanding principal amount of the Senior Bond at any time (as determined by the Designated Agent). Each Letter of Credit shall (i) be denominated in Dollars and, (ii) subject to the second paragraph of Section 3.2, expire no later than the earlier of (x) the first anniversary of its date of issuance and (y) the date which is five Business Days prior to the Termination Date (such fifth Business Day, the “Letter of Credit Expiration Date”).

(b) No Issuing Lender shall at any time be obligated to issue, amend or extend any Letter of Credit hereunder if such issuance, amendment or extension would (i)(i) conflict with, or cause such Issuing Lender or any L/C Participant to exceed any limits imposed by, any applicable Requirement of Law, (ii)(ii) violate one or more policies of the Issuing Lender applicable to letters of credit generally or (iii) violate any order, judgment, or decree of any Governmental Authority that, by its terms, purports to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender. No Issuing Lender shall be under any obligation to issue, amend or extend any Letter of Credit that is not a standby Letter of Credit, unless otherwise agreed by such Issuing Lender. In the event there is a Defaulting Lender as of the date of any request for the issuance of a Letter of Credit, no Issuing Lender shall be required to issue or arrange for such Letter of Credit to the extent the Issuing Lender is not reasonably satisfied that the Defaulting Lender’s L/C Obligations with respect to such Letter of Credit have been reallocated and/or cash collateralized pursuant to Section 2.20.

(c) Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

(d) For all purposes of this Agreement, if on any date of determination, a Letter of Credit has expired by its terms but any amount may still be drawn

thereunder by reason of the operation of any rule of law or uniform practices to which any Letter of Credit is subject (including Rule 3.13 and Rule 3.14 of the ISP) or similar terms in the Letter of Credit itself that permit a drawing to be made under such Letter of Credit after the expiration thereof, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

3.2 Procedure for Issuance of Letters of Credit. The Borrower may from time to time request that an Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its address for notices specified herein an Application therefor, completed to the satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as such Issuing Lender may request. Concurrently with the delivery of an Application to an Issuing Lender, the Borrower shall deliver a copy thereof to the Designated Agent and the Designated Agent shall provide notice of such request to the Lenders. Upon receipt of any Application, an Issuing Lender will process such Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall promptly issue the Letter of Credit requested thereby by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed to by such Issuing Lender and the Borrower (but in no event shall any Issuing Lender be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto). Promptly after issuance by an Issuing Lender of a Letter of Credit, such Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower. The Borrower is responsible for the final text of the Letter of Credit as issued by an Issuing Lender, irrespective of any assistance such Issuing Lender may provide such as drafting or recommending text or by Issuing Lender’s use or refusal to use text submitted by the Borrower. The Borrower is solely responsible for the suitability of the Letter of Credit for the Borrower’s purposes. Each Issuing Lender shall promptly give notice to the Designated Agent of the issuance of each Letter of Credit issued by such Issuing Lender (including the amount thereof), and shall provide a copy of such Letter of Credit to the Designated Agent as soon as possible after the date of issuance. Unless otherwise expressly agreed by an Issuing Lender and the Borrower, when a Letter of Credit is issued (i)(i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii)(ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance shall apply to each commercial Letter of Credit.

If the Borrower so requests in any applicable Application, the Issuing Lender may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “Auto-Extension Letter of Credit”); provided that any such Auto-Extension Letter of Credit must permit the Issuing Lender to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “Non-Extension Notice Date”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Issuing Lender, the Borrower shall not be required to make a specific request to the Issuing Lender for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Issuing Lender to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that the Issuing Lender shall not permit any such extension if it has received notice (which may be by

telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1)(1) from the Designated Agent that the Required Lenders have elected not to permit such extension or (2)(2) from the Designated Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 5.2 is not then satisfied, and in each such case directing the Issuing Lender not to permit such extension.

3.3 Fees and Other Charges.

(a) The Borrower will pay a fee on the aggregate drawable amount of all outstanding Letters of Credit at a per annum rate equal to the Applicable Margin then in effect with respect to ~~Eurodollar~~**Term Benchmark** Loans, shared ratably among the Lenders (other than Defaulting Lenders to the extent provided in Section 2.20) in accordance with their respective Percentages and payable quarterly in arrears on each Fee Payment Date after the issuance date. In addition, the Borrower shall pay to the relevant Issuing Lender for its own account a fronting fee on the aggregate drawable amount of all outstanding Letters of Credit issued in an amount to be agreed between the Borrower and such Issuing Lender, payable quarterly in arrears on each Fee Payment Date after the issuance date.

(b) In addition to the foregoing fees, the Borrower shall pay or reimburse each Issuing Lender for such normal and customary costs and expenses as are incurred or charged by such Issuing Lender in issuing, negotiating, effecting payment under, amending, extending or otherwise administering any Letter of Credit.

3.4 L/C Participations.

(a) Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce each Issuing Lender to issue Letters of Credit hereunder, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from each Issuing Lender, on the terms and conditions hereinafter stated, for such L/C Participant's own account and risk, an undivided interest equal to such L/C Participant's Percentage in each Issuing Lender's obligations and rights under each Letter of Credit issued by such Issuing Lender hereunder and the amount of each drawing paid by such Issuing Lender thereunder. Each L/C Participant unconditionally and irrevocably agrees with each Issuing Lender that, if a drawing is paid under any Letter of Credit issued by such Issuing Lender for which such Issuing Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement, such L/C Participant shall pay to the Designated Agent for the account of such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein (and thereafter the Designated Agent shall promptly pay to such Issuing Lender) an amount equal to such L/C Participant's Percentage of the amount of such drawing, or any part thereof, that is not so reimbursed. Each L/C Participant's obligation to pay such amount shall be absolute and unconditional and shall not be affected by any circumstance, including (i)(i) any setoff, counterclaim, recoupment, defense or other right that such L/C Participant may have against the Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii)(ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Section 5, (iii)(iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv)(iv) any breach of this Agreement or any other Loan Document by the

Borrower or any other L/C Participant or (v)(v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(b) If any amount (a “Participation Amount”) required to be paid by any L/C Participant to an Issuing Lender pursuant to Section 3.4(a) in respect of any unreimbursed portion of any payment made by such Issuing Lender under any Letter of Credit is not paid to such Issuing Lender within three Business Days after the date such payment is due, such Issuing Lender shall so notify the Designated Agent, which shall promptly notify the L/C Participants, and each L/C Participant shall pay to the Designated Agent, for the account of such Issuing Lender, on demand (and thereafter the Designated Agent shall promptly pay to such Issuing Lender) an amount equal to the product of (i)(i) such Participation Amount, times (ii)(ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to such Issuing Lender, times (iii)(iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any Participation Amount required to be paid by any L/C Participant pursuant to Section 3.4(a) is not made available to the Designated Agent for the account of the relevant Issuing Lender by such L/C Participant within three Business Days after the date such payment is due, the Designated Agent on behalf of such Issuing Lender shall be entitled to recover from such L/C Participant, on demand, such Participation Amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans. A certificate of the Designated Agent submitted on behalf of an Issuing Lender to any L/C Participant with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(c) Whenever, at any time after an Issuing Lender has made payment under any Letter of Credit and has received from the Designated Agent any L/C Participant’s *pro rata* share of such payment in accordance with Section 3.4(a), such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of collateral applied thereto by such Issuing Lender), or any payment of interest on account thereof, such Issuing Lender will distribute to the Designated Agent for the account of such L/C Participant (and thereafter the Designated Agent will promptly distribute to such L/C Participant) its *pro rata* share thereof; provided, however, that in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall return to the Designated Agent for the account of such Issuing Lender (and thereafter the Designated Agent shall promptly return to such Issuing Lender) the portion thereof previously distributed by such Issuing Lender.

3.5 Reimbursement Obligation of the Borrower. The Borrower agrees to reimburse each Issuing Lender on (i) the Business Day on which the Borrower receives notice from an Issuing Lender of a drawing on a Letter of Credit issued by such Issuing Lender and paid by such Issuing Lender, if such notice is received on such Business Day prior to 11:00 A.M., New York City time, or (ii) if clause (i) above does not apply, the Business Day immediately following the day on which the Borrower receives such notice, for the amount of (a)(a) such draft so paid and (b)(b) any taxes, fees, charges or other costs or expenses incurred by such Issuing Lender in connection with such payment which are obligations of the Borrower hereunder (the

amounts described in the foregoing clauses (a) and (b) in respect of any drawing, collectively, the "Payment Amount"). Each such payment shall be made to such Issuing Lender at its address for notices specified herein in lawful money of the United States and in immediately available funds. Interest shall be payable on each Payment Amount from the date of the applicable drawing until payment in full at the rate set forth in (i)(i) until the second Business Day following the date of the applicable drawing, Section 2.11(b) and (ii)(ii) thereafter, Section 2.11(c). If the Borrower fails to make such payment in accordance with the foregoing, such failure shall be deemed to constitute a request by the Borrower to the Designated Agent for a borrowing pursuant to Section 2.1 of ABR Loans in an amount equal to the Payment Amount. The Borrowing Date with respect to such borrowing shall be the first date on which a borrowing of Revolving Loans could be made, pursuant to Section 2.1, if the Designated Agent had received a notice of such borrowing at the time the Designated Agent receives notice from the relevant Issuing Lender of such drawing under such Letter of Credit.

3.6 Obligations Absolute. The Borrower's obligations under this Section 3 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against any Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with each Issuing Lender that such Issuing Lender shall not be responsible for, and the Borrower's Reimbursement Obligations under Section 3.5 shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee. No Issuing Lender shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions caused by such Issuing Lender's gross negligence or willful misconduct as determined by final non-appealable judgment by a court of competent jurisdiction. The Borrower agrees that any action taken or omitted by an Issuing Lender under or in connection with any Letter of Credit issued by it or the related drafts or documents, if done in the absence of gross negligence or willful misconduct as determined by final non-appealable judgment by a court of competent jurisdiction, shall be binding on the Borrower and shall not result in any liability of such Issuing Lender to the Borrower. The liability of an Issuing Lender under, in connection with or arising out of any Letter of Credit (or pre-advice), regardless of the form or legal grounds of the action or proceeding, shall be limited to direct damages suffered by the Borrower that is caused directly by such Issuing Lender's gross negligence or willful misconduct, in each case as determined in a final non-appealable judgment of a court of competent jurisdiction, in (i) honoring a presentation under a Letter of Credit that on its face does not at least substantially comply with the terms and conditions of such Letter of Credit, (ii) failing to honor a presentation under a Letter of Credit that strictly complies with the terms and conditions of such Letter of Credit, or (iii) retaining documents presented for purposes of drawing under any Letter of Credit, including by electronic transmission such as SWIFT, electronic mail, facsimile or computer generated communication presented under a Letter of Credit (collectively, "Drawing Documents"). The Borrower's aggregate remedies against any Issuing Lender for wrongfully honoring a presentation under any Letter of Credit

or wrongfully retaining honored Drawing Documents shall in no event exceed the aggregate amount paid by the Borrower to the Issuing Lender in respect of the honored presentation in connection with such Letter of Credit under Section 3.5, plus interest at the rate then applicable to ABR Loans hereunder.

3.7 Letter of Credit Payments. If any documents shall be presented for payment under any Letter of Credit, the relevant Issuing Lender shall, within the period stipulated by the terms and conditions of such Letter of Credit, examine the drawing documents. After such examination and provided that the drawing documents are compliant, such Issuing Lender will promptly notify the Borrower and the Designated Agent of the date and amount thereof. The responsibility of the relevant Issuing Lender to the Borrower in connection with any documents presented for payment under any Letter of Credit, in addition to any payment obligation expressly provided for in such Letter of Credit issued by such Issuing Lender, shall be limited, in the absence of gross negligence or willful misconduct, in each case as determined in a final non-appealable judgment of a court of competent jurisdiction, to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment appear on their face to be in conformity with such Letter of Credit.

3.8 Applications. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Section 3, the provisions of this Section 3 shall apply.

3.9 Actions of Issuing Lenders. Each Issuing Lender shall be entitled to rely, and shall be fully protected in relying, upon any draft, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by such Issuing Lender. Each Issuing Lender shall be fully justified in failing or refusing to take any action under this Agreement unless it shall first have received such advice or concurrence of the Required Lenders as it reasonably deems appropriate (provided that no Issuing Lender shall be under any obligation to obtain such advice or concurrence and no L/C Participant's obligations hereunder shall be affected by the seeking or the failure to seek any such advice or concurrence) or it shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Notwithstanding any other provision of this Section, as between the Issuing Lenders and the Lenders, each Issuing Lender shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon the Lenders and any future holders of a participation in any Letter of Credit (provided that no Issuing Lender shall be under any obligation to obtain such request and no L/C Participant's obligations hereunder shall be affected by the seeking or the failure to seek any such request).

3.10 Borrower's Indemnification. The Borrower hereby agrees to indemnify and hold harmless each Lender, each Issuing Lender (and each of its branches and Affiliates) and the Designated Agent, and their respective directors, officers, agents

and employees from and against any and all claims and damages, losses, liabilities, costs or expenses which such Lender, such Issuing Lender or the Designated Agent may incur (or which may be claimed against such Lender, such Issuing Lender or the Designated Agent by any Person whatsoever) by reason of or in connection with the issuance, execution and delivery or transfer of or payment or failure to pay under any Letter of Credit or any actual or proposed use of any Letter of Credit, including, without limitation, any claims, damages, losses, liabilities, costs or expenses which such Issuing Lender may incur by reason of or in connection with (i)(i) the failure of any other Lender to fulfill or comply with its obligations to an Issuing Lender hereunder (but nothing herein contained shall affect any rights the Borrower may have against any Defaulting Lender) or (ii)(ii) by reason of or on account of an Issuing Lender issuing any Letter of Credit which specifies that the term "Beneficiary" included therein includes any successor by operation of law of the named Beneficiary, but which Letter of Credit does not require that any drawing by any such successor Beneficiary be accompanied by a copy of a legal document, satisfactory to such Issuing Lender, evidencing the appointment of such successor Beneficiary; provided that the Borrower shall not be required to indemnify any Lender, any Issuing Lender or the Designated Agent for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (x) the willful misconduct or gross negligence of such Issuing Lender in determining whether a request presented under any Letter of Credit complied with the terms of such Letter of Credit as determined in a final non-appealable judgment of a court of competent jurisdiction or (y) such Issuing Lender's failure to pay under any Letter of Credit after the presentation to it of a request strictly complying with the terms and conditions of such Letter of Credit. Nothing in this Section is intended to limit the obligations of the Borrower under any other provision of this Agreement. This indemnification provision shall survive termination of this Agreement and all Letters of Credit.

3.11 Lenders' Indemnification. Each Lender shall, ratably in accordance with its Percentage, indemnify each Issuing Lender, its branches and Affiliates, and their respective directors, officers, agents and employees (to the extent not reimbursed by the Borrower) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such indemnitees' gross negligence or willful misconduct or such Issuing Lender's failure to pay under any Letter of Credit after the presentation to it of a request strictly complying with the terms and conditions of the Letter of Credit in each case as determined in a final non-appealable judgment of a court of competent jurisdiction) that such indemnitees may suffer or incur in connection with this Section or any action taken or omitted by such indemnitees hereunder. This indemnification provision shall survive termination of this Agreement and all Letters of Credit.

3.12 Replacement and Resignation of an Issuing Lender. (i) An Issuing Lender may be replaced at any time by written agreement among the Borrower, the Designated Agent, the replaced Issuing Lender and the successor Issuing Lender. The Designated Agent shall notify the Lenders of any such replacement of an Issuing Lender. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Lender pursuant to Section 2.6. From and after the effective date of any such replacement, (x) the successor Issuing Lender shall have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit to be issued by it thereafter and (y) references herein to the term "Issuing Lender" shall be deemed to refer to such

successor or to any previous Issuing Lender, or to such successor and all previous Issuing Lenders, as the context shall require. After the replacement of an Issuing Lender hereunder, the replaced Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit or extend or otherwise amend any existing Letter of Credit.

~~(b)~~ ~~(ii)~~ Subject to the appointment and acceptance of a successor Issuing Lender, any Issuing Lender may resign as an Issuing Lender at any time upon thirty days' prior written notice to the Designated Agent, the Borrower and the Lenders, in which case, such resigning Issuing Lender shall be replaced in accordance with Section 3.12(i) above.

3.13 Existing Letters of Credit. Each Existing Letter of Credit shall be deemed a Letter of Credit issued hereunder for all purposes under this Agreement without need for any further action by the Borrower or any other Person.

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Agents and the Lenders to enter into this Agreement and to make the Loans and issue or participate in the Letters of Credit, the Borrower hereby represents and warrants to each Agent and each Lender, on the Effective Date and on the date of each Credit Event hereunder after the Effective Date, that:

4.1 Financial Condition. (a) The audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of December 31, 2020, and the related consolidated statements of income and cash flows for the fiscal year ended on such date, reported on by Deloitte & Touche LLP, and (b) the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of March 31, 2021, and the related consolidated statements of income and cash flows for the portion of the fiscal year ended on such date, each delivered to the Designated Agent prior to the Amendment No. 1 Effective Date, in each case, (i) were prepared in accordance with GAAP consistently applied throughout the periods covered thereby, except as otherwise expressly noted therein, and (ii) present fairly in all material respects the consolidated financial condition of the Borrower and its consolidated Subsidiaries as of such date, and its consolidated income and its consolidated cash flows for the respective fiscal year or portion of the fiscal year then ended, subject, in the case of the financial statements referred to in clause (b), to the absence of footnotes and to normal year-end audit adjustments.

4.2 No Change. Since December 31, 2020, no Specified Material Adverse Effect has occurred.

4.3 Existence; Compliance with Law. Each of the Borrower and its Significant Subsidiaries (a)(a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, (b)(b) has the organizational power and organizational authority to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c)(c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except to the extent that the failure to so qualify could not reasonably be expected to have a Material Adverse Effect and (d)(d) is in compliance with all Requirements of Law except for any

Requirements of Law being contested in good faith by appropriate proceedings and except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.4 Power; Authorization; Enforceable Obligations. The Borrower has the corporate power and corporate authority to execute and deliver and to perform its obligations under the Loan Documents and to obtain extensions of credit hereunder. The Borrower has taken all necessary corporate action to authorize the execution and delivery of, and performance of its obligations under, the Loan Documents to which it is a party and to authorize the extensions of credit on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Loan Documents, except (i)(i) consents, authorizations, filings and notices which have been obtained or made and are in full force and effect, (ii)(ii) any consent, authorization or filing that may be required in the future the failure of which to make or obtain could not reasonably be expected to have a Material Adverse Effect and (iii)(iii) applicable Requirements of Law (including the approval of the CPUC) prior to foreclosure or other exercise of remedies under the Loan Documents. This Agreement has been, and each other Loan Document upon execution and delivery will be, duly executed and delivered. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by (x) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, laws of general application related to the enforceability of securities secured by real estate and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and (y) applicable Requirements of Law (including the approval of the CPUC) prior to foreclosure or other exercise of remedies hereunder or under the Loan Documents.

4.5 No Legal Bar. The execution and delivery of, and the performance of the obligations under, this Agreement and the other Loan Documents, the issuance of Letters of Credit, the borrowings hereunder and the use of the proceeds thereof will not violate in any material respect any Requirement of Law or any Contractual Obligation of the Borrower or any of its Significant Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Loan Documents and the FMB Indenture).

4.6 Litigation. (a)(a) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened in writing by or against the Borrower or any of its Significant Subsidiaries or against any of their respective material properties or revenues with respect to any of the Loan Documents.

(b) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened in writing by or against the Borrower or any of its Significant Subsidiaries or against any of their respective material properties or revenues, except as disclosed in the Specified Exchange Act Filings, that could reasonably be expected to have a Material Adverse Effect.

4.7 No Default. No Default or Event of Default has occurred and is continuing.

4.8 Taxes. The Borrower and each of its Significant Subsidiaries has filed or caused to be filed all Federal and state returns of income and franchise taxes imposed in lieu of net income taxes and all other material tax returns that are required to be filed and has paid all taxes shown to be due and payable on said returns or with respect to any claims or assessments for taxes made against it or any of its property by any Governmental Authority (other than (i)(i) any amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable, and (ii)(ii) claims which could not reasonably be expected to have a Material Adverse Effect). No material tax Liens have been filed against the Borrower or any of its Significant Subsidiaries other than (A)(A) Liens for taxes which are not delinquent or (B)(B) Liens for taxes which are being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable.

4.9 Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for “buying” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect or for any purpose that violates the provisions of the Regulations of the Federal Reserve Board.

4.10 ERISA. No Reportable Event has occurred during the five year period prior to the date on which this representation is made or deemed made with respect to any Plan, and each Plan has complied with the applicable provisions of ERISA and the Code, except, in each case, to the extent that any such Reportable Event or failure to comply with the applicable provisions of ERISA or the Code could not reasonably be expected to result in a Material Adverse Effect. During the five year period prior to the date on which this representation is made or deemed made, there has been no (i)(i) failure to make a required contribution to any Plan that would result in the imposition of a Lien or other encumbrance or the provision of security under Section 430 of the Code or Section 303 or 4068 of ERISA, or the arising of such a Lien or encumbrance; or (ii)(ii) “unpaid minimum required contribution” or “accumulated funding deficiency” (as defined or otherwise set forth in Section 4971 of the Code or Part 3 of Subtitle B of Title I of ERISA), whether or not waived, except, in each case, to the extent that such event could not reasonably be expected to result in a Material Adverse Effect. No termination of a Single Employer Plan has occurred, and no Lien in favor of the PBGC or a Plan has arisen, during such five-year period. The present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund such Plan) did not, as of the last annual valuation date for which a certified actuarial valuation report is available prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits, except as could not reasonably be expected to result in a Material Adverse Effect. Neither the Borrower nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan during the five year period prior to the date on which this representation is made or deemed made that has resulted or could reasonably be expected to result in a material liability under ERISA, and neither the Borrower nor any Commonly Controlled Entity would become subject to any liability under ERISA if the Borrower or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made, except as could not reasonably be expected to result in a Material Adverse Effect. No such Multiemployer Plan is in

endangered or critical status (within the meaning of Section 305 of ERISA) or in Insolvency.

4.11 Investment Company Act; Other Regulations. The Borrower is not an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended. On the Effective Date, the Borrower is not subject to regulation under any Requirement of Law (other than (a)(a) Regulation X of the Federal Reserve Board and (b)(b) Sections 817-830, and Sections 701 and 851 of the California Public Utilities Code) that limits its ability to incur Indebtedness under this Agreement.

4.12 Use of Proceeds. The proceeds of the Revolving Loans and the Letters of Credit were used, on the Effective Date, to fund, in part, the transactions contemplated under the Plan of Reorganization, and thereafter, shall be used to finance working capital needs, capital expenditures and other general corporate purposes of the Borrower and its Subsidiaries.

4.13 Environmental Matters. Except as disclosed in the Specified Exchange Act Filings, the Borrower and its Significant Subsidiaries are not subject to any pending violations or liabilities under Environmental Laws or relating to the disposal, spill or other release of Materials of Environmental Concern that would reasonably be expected to have a Material Adverse Effect, and, to the knowledge of the Borrower, there are no facts, circumstances or conditions that could reasonably be expected to give rise to such violations or liabilities.

4.14 Regulatory Matters. Solely by virtue of the execution, delivery and performance of, or the consummation of the transactions contemplated by this Agreement, no Lender shall be or become subject to regulation (a)(a) under the FPA or (b)(b) as a “public utility” or “public service corporation” or the equivalent under any Requirement of Law.

4.15 Sanctions; Anti-Corruption. None of the Borrower, any of its Subsidiaries, nor, to the knowledge of the Borrower, any director, officer, agent, Affiliate or employee of the Borrower or any of its Subsidiaries is currently (i) the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department or the U.S. State Department (“Sanctions”) or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of any Sanctions. None of the Borrower, any of its Subsidiaries nor, to the knowledge of the Borrower, any director, officer, agent, Affiliate or employee of the Borrower or any of its Subsidiaries, has taken any action, directly or indirectly, that would result in a violation in any material respect by any such Person of the United States Foreign Corrupt Practices Act of 1977, as amended (“FCPA”) or of any other anti-bribery or anti-corruption laws, rules, regulations legally applicable to such Persons (collectively, “Anti-Corruption Laws”). The Borrower will not use the proceeds of Revolving Loans or Letters of Credit, or lend, contribute or otherwise make available such proceeds (a) to any Subsidiary, Affiliate, joint venture partner or other Person or entity, to fund the activities of any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of any Sanctions, or (b) directly, or, to the knowledge of the Borrower, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the FCPA or of any Anti-Corruption Laws.

4.16 Affected Financial Institutions. The Borrower is not an Affected Financial Institution.

4.17 Solvency. The Borrower and its Subsidiaries, on a consolidated basis, are Solvent as of the Amendment No. ~~1~~² Effective Date.

4.18 Disclosure.

(a) All written information relating to the Borrower, its Subsidiaries and their respective businesses, other than any projections, estimates and other forward-looking materials and information of a general economic or industry specific nature, that has been provided by or on behalf of the Borrower to the Agents or the Lenders in connection with the transactions contemplated hereby does not, when taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made (giving effect to all supplements and updates thereto). Any projected information, estimates, other forward-looking materials and pro forma financial information that have been made available to any Lenders or Agents prior to the Effective Date in connection with the transactions contemplated hereby have been prepared in good faith based upon assumptions believed by the Borrower to be reasonable as of the date such information was furnished to the Lenders and as of the Effective Date (it being understood that actual results may vary materially from such projections and pro forma information and such projections and pro forma information are not a guarantee of performance).

(b) As of the Effective Date, to the knowledge of the Borrower, the information included in any Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.

4.19 Status of Obligations. The issuance to the Designated Agent of the Senior Bond provides the Lenders, as beneficial holders of the Senior Bond through the Designated Agent, the benefit of the Lien of the FMB Indenture equally and ratably with the holders of other First Mortgage Bonds.

4.20 Ownership of Property. As of the Effective Date, each of the Borrower and its Significant Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, subject to no Liens other than Liens permitted under Section 7.3, except for where the failure would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

4.21 Covered Entity. The Borrower is not a Covered Entity.

SECTION 5. CONDITIONS PRECEDENT

5.1 Conditions to the Effective Date. The occurrence of the Effective Date and the effectiveness of the Lenders' Commitments hereunder is subject to the satisfaction of the following conditions precedent:

(a) Credit Agreement. The Designated Agent shall have received this Agreement (including copies of all schedules attached hereto in a form reasonably satisfactory to the Lenders), executed and delivered by the Designated Agent, the Administrative Agent, the Borrower and each Person listed on Schedule 1.1.

(b) Consents and Approvals. All governmental and third party consents and approvals necessary in connection with the execution and delivery of this Agreement and the other Loan Documents and the consummation of the transactions contemplated hereby shall have been obtained and be in full force and effect; and the Designated Agent shall have received a certificate of a Responsible Officer to the foregoing effect.

(c) KYC Information. At least three (3) Business Days prior to the Effective Date, the Designated Agent and each Lender shall have received all documentation and information relating to the Borrower as is reasonably requested in writing by the Designated Agent and/or any such Lender at least ten (10) Business Days prior to the Effective Date that is required by Governmental Authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation. If the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation and the Designated Agent or any Lender so request at least five (5) Business Days prior to the Effective Date, then at least three (3) Business Days prior to the Effective Date, the Borrower shall have delivered to the Designated Agent and/or any such Lender a Beneficial Ownership Certification in relation to the Borrower.

(d) Bond Documents. The Designated Agent shall have received:

1. the Bond Delivery Agreement, duly executed and delivered by the Borrower and Designated Agent;
2. the Senior Bond in a face amount equal to the Total Commitments as of the Effective Date, duly issued and authenticated under the FMB Indenture and in a form reasonably satisfactory to the Designated Agent;
3. the Supplemental Indenture, duly executed and delivered by the Borrower and the Indenture Trustee and in a form reasonably satisfactory to the Designated Agent;
4. a certificate of a duly authorized officer of the Indenture Trustee certifying that the Senior Bond has been authenticated and is outstanding under the FMB Indenture;
5. copies of all legal opinions and other documents delivered to the Indenture Trustee by or on behalf of the Borrower on or prior to the Effective Date in connection with the issuance of the Senior Bond;
6. copies of all title reports and commitments as of the Effective Date with respect to the Mortgaged Property consisting of real property as to which Liens in favor of the Indenture Trustee, for the benefit of the holders of the First Mortgage Bond, has been granted; and
7. the Escrow Deposit and Disbursement Agreement, duly executed and delivered by the Borrower and the Indenture Trustee and in a form reasonably satisfactory to the Designated Agent.

(e) Fees. The Lenders, the Arrangers and the Agents shall have received all fees required to be paid, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel) on or before the date that is two (2) Business Days prior to the Effective Date.

(f) Closing Certificate; Certified Articles of Incorporation; Good Standing Certificates. The Designated Agent shall have received (i)(i) a certificate of the Borrower, dated the Effective Date, substantially in the form of Exhibit D, with appropriate insertions and attachments, including the articles of incorporation of the Borrower certified as of a recent date by the Secretary of State of the State of California, (ii)(ii) a good standing certificate for the Borrower dated as of a recent date from the Secretary of State of the State of California, and (iii) a certificate of a Responsible Officer, dated the Effective

Date, confirming the satisfaction of the conditions precedent set forth in Sections 5.1(h) and (i).

(g) Legal Opinion. The Designated Agent shall have received the legal opinion of (i) Hunton Andrews Kurth LLP, counsel to the Borrower, and (ii) Munger, Tolles & Olson LLP, special California regulatory counsel to the Borrower, each in a form reasonably satisfactory to the Designated Agent.

(h) Representations and Warranties. Each of the representations and warranties made by the Borrower in this Agreement that does not contain a materiality qualification shall be true and correct in all material respects on and as of the Effective Date, and each of the representations and warranties made by the Borrower in this Agreement that contains a materiality qualification shall be true and correct on and as of the Effective Date (or, in each case, to the extent such representations and warranties specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date).

(i) No Default. No Default or Event of Default shall have occurred and be continuing on the Effective Date or after giving effect to any Credit Event requested to be made on the Effective Date.

(j) Solvency. The Designated Agent shall have received a solvency certificate from the chief financial officer of the Borrower in substantially the form of Exhibit I hereto.

5.2 Conditions to Each Credit Event. The agreement of each Lender to make any Loan or to issue or extend the expiry date under, or participate in, a Letter of Credit (other than the extension of a Letter of Credit pursuant to the evergreen provisions therein) (each, a “Credit Event”), including each Issuing Lender to issue a Letter of Credit, on any date (other than (except for clause (d)) the Effective Date) is subject to the satisfaction of the following conditions precedent:

(a) Effective Date. The Effective Date shall have occurred.

(b) Representations and Warranties. Each of the representations and warranties made by the Borrower in this Agreement (other than the representations and warranties set forth in Sections 4.2, 4.6(b) and 4.13) that does not contain a materiality qualification shall be true and correct in all material respects on and as of the date of such Credit Event as if made on and as of such date, and each of the representations and warranties made by the Borrower in this Agreement (other than the representations and warranties set forth in Sections 4.2, 4.6(b) and 4.13) that contains a materiality qualification shall be true and correct on and as of such date (or, to the extent such representations and warranties specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects, or true and correct, as the case may be, as of such earlier date).

(c) No Default. No Default or Event of Default shall have occurred and be continuing on the date of such Credit Event or after giving effect to the Credit Event requested to be made on such date.

(d) Request for Credit Event. The Designated Agent and, if applicable, the relevant Issuing Lender, shall have received a notice of borrowing or an Application, as applicable, in accordance with the requirements of Section 2.2 or 3.2, as applicable.

Each Credit Event (other than a Credit Event occurring on the Effective Date) shall constitute a representation and warranty by the Borrower as of the date of such Credit Event that the conditions contained in this Section 5.2 have been satisfied.

SECTION 6. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, or any Letter of Credit, any Loan, any interest on any Loan or any fee payable to any Lender or any Agent hereunder remains outstanding, or any other amount then due and payable is owing to any Lender or any Agent hereunder, the Borrower shall and, with respect to Sections 6.3 and 6.6(b), shall cause its Significant Subsidiaries to:

6.1 Financial Statements. Furnish to the Designated Agent with a copy for each Lender, and the Designated Agent shall deliver to each Lender:

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Borrower, a copy of the audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of income and cash flows for such year, setting forth in each case in comparative form the figures for the previous year, reported on without a “going concern” or like qualification or exception, or qualification arising out of the scope of the audit, by Deloitte & Touche LLP or other independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 60 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower, the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to the absence of footnotes and normal year-end audit adjustments).

All such financial statements shall (x) be complete and correct in all material respects and (y) shall be prepared in reasonable detail and in accordance with GAAP applied (except as approved by such accountants or officer, as the case may be, and disclosed in reasonable detail therein) consistently throughout the periods reflected therein and with prior periods, subject, in each case to the absence of footnotes and to normal year-end audit adjustments. The Borrower shall be deemed to have delivered the financial statements required to be delivered pursuant to this Section 6.1 upon the filing of such financial statements by the Borrower through the SEC’s EDGAR system (or any successor electronic gathering system that is publicly available free of charge) or the publication by the Borrower of such financial statements on its website.

6.2 Certificates; Other Information. Furnish to the Designated Agent, for delivery to the Lenders:

(a) within two Business Days after the delivery of any financial statements pursuant to Section 6.1, (i)(i) a certificate of a Responsible Officer stating that such Responsible Officer has obtained no actual knowledge of any Default or Event of Default except as specified in such certificate and (ii)(ii) a Compliance Certificate, substantially in the form of Exhibit C, containing all information and calculations reasonably necessary for determining compliance by the Borrower with the provisions of this Agreement referred to therein as of

the last day of the fiscal quarter or fiscal year of the Borrower, as the case may be;

(b) within five days after the same are sent, copies of all financial statements and reports that the Borrower sends to the holders of any class of its debt securities or public equity securities, provided that, such financial statements and reports shall be deemed to have been delivered upon the filing of such financial statements and reports by the Borrower through the SEC's EDGAR system (or any successor electronic gathering system that is publicly available free of charge) or publication by the Borrower of such financial statements and reports on its website;

(c) promptly, such additional financial and other information (other than any such information the disclosure of which is prohibited by applicable law or binding agreement or subject to attorney-client privilege or constitutes attorney-work product or constitutes non-financial trade secrets or non-financial proprietary information so long as (x) such confidentiality obligation was not entered into in contemplation hereof and (y) the Borrower provides such Lender with notice that information is being withheld due to the existence of such confidentiality obligation) as any Lender, through the Designated Agent, may from time to time reasonably request; and

(d) promptly, such documentation and other information that the Designated Agent or such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

6.3 Payment of Taxes. Pay all taxes due and payable or any other tax assessments made against the Borrower or any of its Significant Subsidiaries or any of their respective property by any Governmental Authority (other than (i)(i) any amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or any of its Significant Subsidiaries, as applicable or (ii)(ii) where the failure to effect such payment could not reasonably be expected to have a Material Adverse Effect).

6.4 Maintenance of Existence; Compliance. (a)(a)(i)(i) Preserve, renew and keep in full force and effect its organizational existence and (ii)(ii) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted by Section 7.4 and except, in the case of clause (ii) above, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; (b)(b) comply with all Contractual Obligations except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect and (c)(c) comply with all Requirements of Law except for any Requirements of Law being contested in good faith by appropriate proceedings or except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.5 Maintenance of Property; Insurance. (a)(a) Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear and casualty excepted, except to the extent that failure to do so could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (b)(b) maintain with financially sound and reputable insurance companies insurance on all its material property in at least such amounts and against at least such risks as are usually insured against in the same general area by companies engaged in the same or

a similar business of comparable size and financial strength and owning similar properties in the same general areas in which the Borrower operates, which may include self-insurance, if determined by the Borrower to be reasonably prudent.

6.6 Inspection of Property; Books and Records; Discussions. (a)(a) Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities and (b)(b) unless a Default or Event of Default has occurred and is continuing, not more than once a year and after at least five Business Days' notice, (i)(i) permit representatives of any Lender to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time to discuss the business, operations, properties and financial and other condition of the Borrower and its Significant Subsidiaries with officers and employees of the Borrower and its Significant Subsidiaries and (ii)(ii) use commercially reasonable efforts to provide for the Lenders (in the presence of representatives of the Borrower) to meet with the independent certified public accountants of the Borrower and its Significant Subsidiaries; provided, that any such visits or inspections shall be subject to such conditions as the Borrower and each of its Significant Subsidiaries shall deem necessary based on reasonable considerations of safety, security and confidentiality; and provided, further, that neither the Borrower nor any Significant Subsidiary shall be required to disclose to any Person any information the disclosure of which is prohibited by applicable law or binding agreement or subject to attorney-client privilege or constitutes attorney-work product or constitutes non-financial trade secrets or non-financial proprietary information so long as (x) such confidentiality obligation was not entered into in contemplation hereof and (y) the Borrower provides such Lender with notice that information is being withheld due to the existence of such confidentiality obligation.

6.7 Notices. Give notice to the Designated Agent, and the Designated Agent shall deliver such notice to each Lender, promptly upon any Responsible Officer obtaining knowledge of:

- i. the occurrence of any Default or Event of Default;
- i. any change in the Rating issued by either S&P or Moody's; and
- ii. the occurrence of an ERISA Event which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect (provided, that, any judicial proceeding instituted by PBGC that, within 60 days after the institution of such proceeding, has been withdrawn or stayed by PBGC or otherwise, shall be disregarded for the purpose of this Section 6.7(c)).

6.8 Maintenance of Licenses, etc. Maintain in full force and effect any authorization, consent, license or approval of any Governmental Authority necessary for the conduct of the Borrower's business as now conducted by it or necessary in connection with this Agreement, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.9 Further Assurances.

- (a) (i) Comply with Section 7.08(a) of the FMB Indenture, (ii) deliver to the Designated Agent (A) within 120 days after the Effective Date, a copy of the Opinion of Counsel (as defined in the FMB Indenture) delivered to the Indenture Trustee under Section 7.08(a)(i) of the FMB Indenture relating the Supplemental Indenture described in clause (i) of the definition of "Supplemental Indenture", and (B) within 120 days after the execution and delivery of any Supplemental Indenture described in clause (ii) of the

definition of “Supplemental Indenture”, a copy of the Opinion of Counsel delivered to the Indenture Trustee under Section 7.08(a)(i) of the FMB Indenture relating to such Supplemental Indenture and (iii) deliver to the Designated Agent a copy of each Opinion of Counsel delivered to the Indenture Trustee under Section 7.08(a)(ii) of the FMB Indenture relating to the Supplemental Indenture.

(b) Promptly upon the reasonable request by the Designated Agent, or by the Required Lenders through the Designated Agent, (i) correct any material defect or error that may be discovered in any Loan Document or the execution, acknowledgment, filing or recordation thereof and (ii) do, execute, acknowledge and deliver any and all such further certificates, documents, agreements and other instruments as reasonably required from time to time to carry out more effectively the purposes of the Loan Documents.

6.10 Use of Proceeds. The Borrower shall use the proceeds of the Loans or the Letters of Credit in accordance with Section 4.12.

SECTION 7. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, or any Letter of Credit, any Loan, or any interest on any Loan or any fee payable to any Lender or any Agent hereunder remains outstanding, or any other amount then due and payable is owing to any Lender or any Agent hereunder, the Borrower shall not and shall not permit its Significant Subsidiaries to:

7.1 Reserved.

~~7.1 Indebtedness. At all times prior to the Indebtedness Covenant Release Date, create, incur, assume or permit to exist any Indebtedness, except for:~~

~~(a) Indebtedness and other Obligations created hereunder (including any Indebtedness incurred pursuant to Section 2.3);~~

~~(b) Indebtedness of the Borrower outstanding on the Effective Date in an aggregate outstanding principal amount not to exceed \$33,350,000,000 and any Permitted Refinancing thereof;~~

~~(c) Indebtedness (i) pursuant to tenders, statutory obligations, bids, leases, governmental contracts, trade contracts, surety, stay, customs, appeal, performance and/or return of money bonds or other similar obligations incurred in the ordinary course of business and (ii) in respect of letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments and reimbursement obligations to support any of the foregoing items;~~

~~(d) (i) Guarantee Obligations with respect to the obligations of suppliers, customers and licensees and other third parties in the ordinary course of business, (ii) Indebtedness incurred in the ordinary course of business to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services and (iii) Indebtedness in respect of letters of credit, bankers' acceptances, bank guaranties or similar instruments supporting trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business, workers compensation claims or other employee benefits;~~

~~(c) Guarantee Obligations with respect to Indebtedness otherwise permitted to be incurred pursuant to this Section 7.1 and Guarantee Obligations with respect to the obligations of Subsidiaries and joint ventures of the Borrower; provided that no such Guarantee Obligations with respect to Indebtedness of the Borrower constituting debt for borrowed money or evidenced by notes, bonds, debentures or other similar instruments (including, for the avoidance of doubt, the First Mortgage Bonds) shall be permitted except to the extent provided by a Person that is, or concurrently with providing such Guarantee Obligations becomes, a guarantor of the Obligations hereunder on terms and pursuant to documentation reasonably satisfactory to the Designated Agent;~~

~~(f) Indebtedness consisting of (i) the financing of insurance premiums and/or (ii) take-or-pay obligations contained in supply arrangements;~~

~~(g) Indebtedness with respect to Capital Lease Obligations and purchase money Indebtedness; provided, that the aggregate outstanding principal amount of Indebtedness with respect to Capital Lease Obligations shall not exceed \$500,000,000 at any one time;~~

~~(h) (i) obligations under any Cash Management Agreement and (ii) Indebtedness under any Swap Agreement permitted under Section 7.6;~~

~~(i) Indebtedness arising from any agreement providing for indemnification, adjustment or purchase price or similar obligations (including contingent earn-out obligations) incurred in connection with any Disposition or any purchase of assets or Capital Stock, and Indebtedness arising from guaranties, letters of credit, bank guaranties, surety bonds, performance bonds or similar instruments securing the performance of the Borrower or its Subsidiaries pursuant to any such agreement;~~

~~(j) Indebtedness in respect of banking services and incentive, supplier finance or similar programs incurred in the ordinary course of business;~~

~~(k) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;~~

~~(l) Indebtedness representing deferred compensation to employees, consultants or independent contractors incurred in the ordinary course of business;~~

~~(m) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument drawn against insufficient funds in the ordinary course of business;~~

~~(n) endorsements for collection or deposit in the ordinary course of business;~~

~~(o) Indebtedness issued or incurred to fund rate base growth in an aggregate outstanding principal amount not to exceed \$9,000,000,000 at any time and any Permitted Refinancing thereof; and~~

~~(p) other Indebtedness of the Borrower in an aggregate outstanding principal amount not to exceed the excess, if any, of 10% of Net Tangible Assets of the Borrower over the amount of Indebtedness incurred pursuant to clause (o) above.~~

~~Notwithstanding anything herein to the contrary, no Guarantee Obligations from any Significant Subsidiary of the Borrower with respect to Indebtedness of the Borrower constituting debt for borrowed money or evidenced by notes, bonds, debentures or other similar instruments (including, for the avoidance of doubt, the First Mortgage Bonds) shall be permitted hereunder except to the extent provided by a Person that is, or concurrently with providing such Guarantee Obligations becomes, a guarantor of the Obligations hereunder on terms and pursuant to documentation reasonably satisfactory to the Designated Agent.~~

7.2 Consolidated Capitalization Ratio. Permit the Consolidated Capitalization Ratio on the last day of any fiscal quarter, from and after the last day of the first fiscal quarter ending after the Effective Date, to exceed 0.65 to 1.00.

7.3 Liens. Create, incur, assume or suffer to exist any Lien upon any assets of the Borrower or any Significant Subsidiary, whether now owned or hereafter acquired, except for (a) Liens securing the Obligations under this Agreement and the other Loan Documents and (b) Liens permitted under Section 7.06(b) of the FMB Indenture.

7.4 Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business (including, without limitation, rental equipment or leasehold interests and excluding the sale or transfer of any accounts receivable or of any amounts that are accrued and recorded in a regulatory account for collections by the Borrower, in each case, in connection with a securitization transaction, including, without limitation, any A/R Securitization Transaction), except that the Borrower may be merged, consolidated or amalgamated with another Person or Dispose of all or substantially all of its property or business so long as, after giving effect to such transaction, (a)(a) no Default or Event of Default shall have occurred and be continuing, (b)(b) either (i)(i) the Borrower is the continuing or surviving corporation of such merger, consolidation or amalgamation or (ii)(ii) the continuing or surviving corporation of such merger, consolidation or amalgamation, if not the Borrower or the purchaser, (x) shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia, (y) shall have assumed all obligations of the Borrower under the Loan Documents pursuant to arrangements reasonably satisfactory to the Designated Agent and (z) to the extent requested by the Designated Agent or any Lender, shall have promptly provided to the Designated Agent or such Lender all documentation and other information that may be required by the Designated Agent or such Lender in order to enable compliance with applicable “know-your-customer” and anti-money laundering rules and regulations, including information required by the Patriot Act and the Beneficial Ownership Regulation and (c)(c) the ratings by Moody’s and S&P of the continuing or surviving corporation’s or purchaser’s senior, secured debt shall be at least the higher of (1)(1) Baa3 from Moody’s and BBB- from S&P and (2)(2) the ratings by such rating agencies of the Borrower’s senior, secured debt in effect before the earlier of the occurrence or the public announcement of such event.

7.5 Sale and Lease Back Transactions. Enter into any arrangement, directly or indirectly, with any Person whereby it shall sell or transfer any property having fair market value in excess of \$10,000,000, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property

or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred, except for (a) those transactions described on Schedule 7.5 and (b) any other sale of any fixed or capital assets that is made for cash consideration; provided that, in each case, if such sale and leaseback results in a Capital Lease Obligation, ~~such Capital Lease Obligation is permitted by Section 7.1 and~~ any Lien made the subject of such Capital Lease Obligation is permitted by Section 7.3.

7.6 Swap Agreements. Enter into any Swap Agreement, other than Swap Agreements entered into not for speculative purposes (a) to hedge or mitigate risks to which the Borrower and its Subsidiaries are exposed in the conduct of its business or the management of its liabilities (including, without limitation, raw material, commodities, fuel, electricity or other supply costs and currency risks), (b) to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or fixed rate or otherwise) with respect to any interest bearing Indebtedness of the Borrower and its Subsidiaries permitted by this Agreement, (c) to swap currency in connection with funding the business of the Borrower and its Subsidiaries in the ordinary course of business or (d) entered into in connection with any A/R Securitization Transaction.

7.7 Amendments to FMB Indenture. Amend, supplement, modify or waive the FMB Indenture in any manner that is materially adverse to the Lenders hereunder; provided that the foregoing shall not prohibit the Borrower from supplementing the FMB Indenture in order to provide for the issuance of additional First Mortgage Bonds in accordance with the FMB Indenture or to add property to the Lien of the FMB Indenture.

SECTION 8. EVENTS OF DEFAULT

If any of the following events shall occur and be continuing on or after the Effective Date:

- i. the Borrower shall fail to pay any principal of any Loan or Reimbursement Obligation when due in accordance with the terms hereof; or the Borrower shall fail to pay any interest on any Loan or Reimbursement Obligation, or any other amount payable hereunder or under any other Loan Document, within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or
 - ii. any representation or warranty made or deemed made by the Borrower herein or in any other Loan Document or that is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect on or as of the date made or deemed made, unless, as of any date of determination, the facts or circumstances to which such representation or warranty relates have changed with the result that such representation or warranty is true and correct in all material respects on such date; or
 - iii. the Borrower shall default in the observance or performance of any agreement contained in Section 6.4(a)(i), Section 6.7(a), Section 6.10, Section ~~7.1, Section~~ 7.2, Section 7.3 or Section 7.4 of this Agreement; or
 - iv. the Borrower shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan
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Document (other than as provided in paragraphs (a) through (c) of this Section), and such default shall continue unremedied for a period of 30 days after notice to the Borrower from the Designated Agent at the request of the Required Lenders; or

- v. the Borrower or any of its Significant Subsidiaries shall (i)(i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding the Loans) on the due date with respect thereto (after giving effect to any period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created); or (ii)(ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii)(iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or (in the case of all Indebtedness other than Indebtedness under any Swap Agreement) to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate \$200,000,000; provided, further, that unless payment of the Loans hereunder has already been accelerated, if such default shall be cured by the Borrower or such Significant Subsidiary or waived by the holders of such Indebtedness and any acceleration of maturity having resulted from such default shall be rescinded or annulled, in each case, in accordance with the terms of such agreement or instrument, without any modification of the terms of such Indebtedness requiring the Borrower or such Significant Subsidiary to furnish security or additional security therefor, reducing the average life to maturity thereof or increasing the principal amount thereof, or any agreement by the Borrower or such Significant Subsidiary to furnish security or additional security therefor or to issue in lieu thereof Indebtedness secured by additional or other collateral or with a shorter average life to maturity or in a greater principal amount, then any Default hereunder by reason thereof shall be deemed likewise to have been thereupon cured or waived; or
 - vi. (i)(i) the Borrower or any of its Significant Subsidiaries shall commence any case, proceeding or other action (A) (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization,
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- arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B)(B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any of its Significant Subsidiaries shall make a general assignment for the benefit of its creditors; or (ii)(ii) there shall be commenced against the Borrower or any of its Significant Subsidiaries any case, proceeding or other action of a nature referred to in clause (i) above that (A)(A) results in the entry of an order for relief or any such adjudication or appointment or (B)(B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii)(iii) there shall be commenced against the Borrower or any of its Significant Subsidiaries any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv)(iv) the Borrower or any of its Significant Subsidiaries shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or
- vii. there occurs any ERISA Event that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect; or
 - viii. one or more judgments or decrees shall be entered against the Borrower or any of its Significant Subsidiaries by a court of competent jurisdiction involving in the aggregate a liability (not paid or, subject to customary deductibles, fully covered by insurance as to which the relevant insurance company has not denied coverage) of \$200,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 45 days from the entry thereof unless, in the case of a discharge, such judgment or decree is due at a later date in one or more payments and the Borrower or such Significant Subsidiary satisfies the obligation to make such payment or payments on or prior to the date such payment or payments become due in accordance with such judgment or decree; or
 - ix. there shall have occurred a Change of Control; or
 - x. any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or the Borrower contests in any manner in writing the validity or enforceability of any Loan Document; or the Borrower denies in writing that it has any or further liability or obligation under any Loan Document, or purports in writing to revoke, terminate or rescind any Loan Document; or
 - xi. at any time (i) the Senior Bond shall cease to be outstanding for any reason other than (A) the termination of the Total Commitments, the payment in full of the Loans, Reimbursement Obligations and other obligations then due and owing under the Loan Documents and the termination or expiration of the Letters of Credit or (B) the payment in full of the Senior Bond, (ii) the Designated Agent, on behalf of the Lenders, shall cease at any time to be the holder of the Senior Bond for
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all purposes of the FMB Indenture (unless the Senior Bond is transferred by the Designated Agent) or (iii) the Lien of the FMB Indenture shall cease to constitute a valid and enforceable Lien on the Mortgaged Property; then, and in any such event, (A)(A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (f) above with respect to the Borrower, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) shall immediately become due and payable, and (B)(B) if such event is any other Event of Default, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Designated Agent may, or upon the request of the Required Lenders, the Designated Agent shall, by notice to the Borrower declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; and (ii) with the consent of the Required Lenders, the Designated Agent may, or upon the request of the Required Lenders, the Designated Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) to be due and payable forthwith, whereupon the same shall immediately become due and payable. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall at such time deposit in an interest-bearing cash collateral account opened by the Designated Agent pursuant to the Escrow Deposit and Disbursement Agreement an amount equal to the aggregate then undrawn and unexpired amount of such Letters of Credit. Amounts held in such interest-bearing cash collateral account shall be applied by the Designated Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay other obligations of the Borrower hereunder and under the other Loan Documents. After all such Letters of Credit shall have expired or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Borrower hereunder and under the other Loan Documents shall have been paid in full, the balance, if any, in such interest-bearing cash collateral account shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto). Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

SECTION 9. THE AGENTS

9.1 Appointment and Authority. Each of the Lenders and the Issuing Lenders hereby irrevocably appoints Citibank, N.A. to act on its behalf as the Designated Agent hereunder and under the other Loan Documents and authorizes the Designated Agent to take such actions on its behalf and to exercise such powers as are delegated to the Designated Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section 9 are solely for the benefit of the Agents, the Lenders and the Issuing Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions (other than with respect to the Borrower's rights under Sections 9.9(a) and (b)). It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under

agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

9.2 Delegation of Duties. The Designated Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by it. The Designated Agent, and any such sub-agent may each perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such sub-agent and to the Related Parties of the Designated Agent, and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Designated Agent. The Designated Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Designated Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.3 Exculpatory Provisions.

(a) No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, no Agent:

1. shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
2. shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that an Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and
3. shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as an Agent or any of its Affiliates in any capacity.

(b) No Agent shall be liable for any action taken or not taken by it (i)(i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.1 and 8), or (ii)(ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment.

(c) No Agent shall be responsible for or have any duty to ascertain or inquire into (i)(i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii)(ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii)(iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv)(iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v)(v) the satisfaction of any condition set forth in Section 5 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent.

9.4 Reliance by Designated Agent. The Designated Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Designated Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Lender, the Designated Agent may presume that such condition is satisfactory to such Lender or such Issuing Lender unless the Designated Agent shall have received notice to the contrary from such Lender or such Issuing Lender prior to the making of such Loan or the issuance, extension, renewal or increase of such Letter of Credit. The Designated Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.5 Notice of Default. The Designated Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Designated Agent has received notice from a Lender, an Issuing Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default”. In the event that the Designated Agent receives such a notice, the Designated Agent shall give notice thereof to the Lenders and the Issuing Lenders. The Designated Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders); provided that unless and until such Agent shall have received such directions, such Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders and the Issuing Lenders.

9.6 Non-Reliance on Agents and Other Lenders. Each Lender and Issuing Lender acknowledges that it has, independently and without reliance upon the Agents, or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and Issuing Lender also acknowledges that it will, independently and without reliance upon the Agents, or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not

taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Designated Agent hereunder, the Designated Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Borrower or any of its Affiliates that may come into the possession of such Agent or any of its officers, directors, employees, agents, attorneys in fact or Affiliates.

9.7 Indemnification. The Lenders and the Issuing Lenders agree to indemnify each Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent under or in connection with any of the foregoing; provided that no Lender or Issuing Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's gross negligence or willful misconduct.

9.8 Agent in Its Individual Capacity. Each Person serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender or an Issuing Lender as any other Lender or Issuing Lender and may exercise the same as though it were not an Agent, and the terms "Lender", "Issuing Lender", "Lenders" or "Issuing Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include such Person serving as an Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not an Agent hereunder and without any duty to account therefor to the Lenders or the Issuing Lenders.

9.9 Successor Agents.

(a) The Designated Agent may resign upon 10 days' notice to the Lenders and the Borrower. If the Designated Agent shall so resign under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under Section 8(f) with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld, conditioned or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Designated Agent and the term "Designated Agent" shall mean such successor agent effective upon such appointment and approval, and the former Agent's rights, powers and duties as Designated

Agent shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Designated Agent by the date that is 10 days following a retiring Agent's notice of resignation (the "Resignation Effective Date"), the retiring Agent's resignation shall nevertheless thereupon become effective, and the Lenders shall assume and perform all of the duties of the Designated Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Agent's resignation as Designated Agent the provisions of Section 9.7 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was an Agent under this Agreement and the other Loan Documents.

(b) If the Person serving as Designated Agent is a Defaulting Lender pursuant to clause (e) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Designated Agent and, shall appoint a successor, subject to the approval of the Borrower (unless an Event of Default under Section 8(f) with respect to the Borrower shall have occurred and be continuing), which approval shall not be unreasonably withheld, conditioned or delayed. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i)(i) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of the Senior Bond held by the Designated Agent on behalf of the Lenders or any Issuing Lender, the retiring or removed Designated Agent shall continue to hold such Senior Bond in its name until such time as a successor Designated Agent is appointed) and (ii)(ii) except for any indemnity payments or other amounts then owed to the retiring or removed Designated Agent, all payments, communications and determinations provided to be made by, to or through the Designated Agent shall instead be made by or to each Lender and each Issuing Lender directly, until such time, if any, as the Required Lenders appoint a successor Designated Agent as provided for above. Upon the acceptance of a successor's appointment as Designated Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments or other amounts owed to the retiring or removed Agent as of the Resignation Effective Date or the Removal Effective Date (as applicable)), and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Section and Sections 2.17, 3.10 and 10.5 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any

actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent.

9.10 Documentation Agents and Syndication Agents. None of the Administrative Agent, the Documentation Agents or the Syndication Agents shall have any duties or responsibilities hereunder in its capacity as such.

9.11 Designated Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law, the Designated Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Designated Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

- (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Lenders and the Designated Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lenders and the Designated Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lenders and the Designated Agent under Sections 2.6, 2.17, 3.3, 3.10 and 10.5) allowed in such judicial proceeding; and
- (b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and Issuing Lender to make such payments to the Designated Agent and, in the event that the Designated Agent shall consent to the making of such payments directly to the Lenders and the Issuing Lenders, to pay to the Designated Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Designated Agent and its agents and counsel, and any other amounts due the Designated Agent under Sections 2.6, 2.17, 3.10 and 10.5.

9.12 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Designated Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

1. such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,
2. the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption

for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

3. (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or
4. such other representation, warranty and covenant as may be agreed in writing between the Designated Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Designated Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Designated Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Designated Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

9.13 Erroneous Payment.

(a) If the Designated Agent notifies a Lender or Issuing Lender or any Person who has received funds on behalf of a Lender or Issuing Lender, such Lender or Issuing Lender (any such Lender or Issuing Lender or other recipient, a "Payment Recipient") that the Designated Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Designated Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or Issuing Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and

demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Designated Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Designated Agent, and such Lender or Issuing Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Designated Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Designated Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Designated Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Designated Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or Issuing Lender, or any Person who has received funds on behalf of a Lender or Issuing Lender, such Lender or Issuing Lender, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Designated Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Designated Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Designated Agent (or any of its Affiliates), or (z) that such Lender or Issuing Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

1. (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Designated Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
2. such Lender or Issuing Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Designated Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Designated Agent pursuant to this Section 9.13(b).

(c) Each Lender or Issuing Lender hereby authorizes the Designated Agent to set off, net and apply any and all amounts at any time owing to such Lender or Issuing Lender under any Loan Document, or otherwise payable or distributable by the Designated Agent to such Lender or Issuing Lender from any source, against any amount due to the Designated Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Designated Agent for any reason, after demand therefor by the Designated Agent in accordance with immediately preceding clause (a), from any Lender or Issuing Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Designated Agent’s notice to such Lender or Issuing Lender at any time, (i) such Lender or Issuing Lender shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Designated Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Designated Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to the Platform as to which the Designated Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender or Issuing Lender shall deliver any Notes evidencing such Loans to the Borrower or the Designated Agent, (ii) the Designated Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Designated Agent as the assignee Lender shall become a Lender or Issuing Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning Issuing Lender shall cease to be a Lender or Issuing Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning Issuing Lender and (iv) the Designated Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Designated Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender or Issuing Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Designated Agent shall retain all other rights, remedies and claims against such Lender or Issuing Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Issuing Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Designated Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Designated Agent may be equitably subrogated, the Designated Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Issuing Lender under

the Loan Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Designated Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Designated Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 9.13 shall survive the resignation or replacement of the Designated Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

SECTION 10. MISCELLANEOUS

10.1 Amendments and Waivers. Subject to Section 2.13(b) and (c), neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 10.1. The Required Lenders and the Borrower may, or, with the written consent of the Required Lenders, the Designated Agent and the Borrower may, from time to time, (a)(a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Borrower hereunder or thereunder or (b)(b) waive, on such terms and conditions as the Required Lenders or the Designated Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

(i) forgive the principal amount or extend the final scheduled date of maturity of any Loan, reduce the stated rate of any interest or fee payable hereunder (except in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Lenders)) or extend the scheduled date of any payment thereof, or increase the amount or extend the expiration date of any Lender’s Commitment, in each case without the written consent of each Lender directly affected thereby (except that only the Lenders who are increasing their Commitments are required to consent to a request by the Borrower under Section 2.3 to increase the Total Commitments);

(ii) eliminate or reduce the voting rights of any Lender under this Section 10.1 or Section 10.6(a)(i) without the written consent of such Lender;

(iii) reduce any percentage specified in the definition of Required Lenders without the written consent of all Lenders;

- (iv) amend, modify or waive any provision of Section 2.14, Section 10.07 (*Application of Money Collected*) of the FMB Indenture or any similar provision in the Loan Documents related to pro rata treatment without the consent of each Lender directly affected thereby;
- (v) amend, modify or waive any provision of Section 9 without the written consent of the Designated Agent;
- (vi) [reserved];
- (vii) amend, modify or waive any provision of Section 5.1 without the written consent of all the Lenders;
- (viii) amend, modify or waive any provision of Section 3 or any other provision affecting the Issuing Lenders in their capacity as such without the written consent of each Issuing Lender affected thereby; or
- (ix) instruct the Designated Agent to vote the Senior Bond in favor of the release of all or substantially all of the Mortgaged Property without the written consent of all the Lenders.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Borrower, the Lenders, the Designated Agent and all future holders of the Loans. In the case of any waiver, the Borrower, the Lenders and the Designated Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

Notwithstanding anything to the contrary contained in this Section 10.1, if the Designated Agent and the Borrower acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then the Designated Agent and the Borrower shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and any such amendment, modification or supplement shall become effective without any further action or consent of any other party to this Agreement.

If the Required Lenders shall have approved any amendment which requires the consent of all of the Lenders, the Borrower shall be permitted to replace any non-consenting Lender with another financial institution, provided that, (i) the replacement financial institution shall purchase at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (ii) the Borrower shall be liable to such replaced Lender under Section 2.17 if any ~~Eurodollar~~ **Term Benchmark** Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto (as if such purchase constituted a prepayment of such Loans), (iii) such replacement financial institution, if not already a Lender, shall be reasonably satisfactory to the Designated Agent and each Issuing Lender, (iv) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein) and (v) any such replacement shall not be deemed to be a waiver of any rights the Borrower, the Designated Agent, or any other Lender shall have against the replaced Lender.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, supplement, modification, waiver or consent hereunder (and any amendment, supplement, modification, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (i) (x) an

increase or extension of the Commitment of such Defaulting Lender, or (y) any reduction of the amount of principal or interest owed to such Defaulting Lender shall, in each case, require the consent of such Defaulting Lender, and (ii) a Defaulting Lender's Percentage shall be taken into consideration along with the Percentage of non-Defaulting Lenders when voting to approve or disapprove any waiver, amendment or modification that by its terms affects any Defaulting Lender more adversely than other affected Lenders.

10.2 Notices.

(a) All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered during the recipient's normal business hours, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received during the recipient's normal business hours, addressed as follows in the case of the Borrower and the Designated Agent, and as set forth in an administrative questionnaire delivered to the Designated Agent in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

Borrower: Pacific Gas and Electric Company

c/o PG&E Corporation
P.O. Box 770000
San Francisco, California 94177
Attention: Treasurer
Telecopy: (415) 973-8968
Telephone: (415) 973-8956

with a copy to: Pacific Gas and Electric Company

c/o PG&E Corporation
P.O. Box 770000
San Francisco, California 94177
Attention: General Counsel
Telecopy: (415) 973-5520

Designated Agent: Citibank, N.A.

Citibank Delaware
One Penns Way
OPS 2/2
New Castle, DE 19720
Attention: Agency Operations
Telecopy: (646) 274-5080
Telephone: (302) 894-6010
Borrower Notifications Email: AgencyABTFSupport@citi.com
Financial Reporting Email: Oploanswebadmin@citi.com
Lender Inquiries Email: global.loans.support@citi.com

Issuing Lenders: As notified by each Issuing Lender to the Designated Agent and the Borrower.

provided that any notice, request or demand to or upon the Designated Agent, the Issuing Lenders or any Lender shall not be effective until received.

(b) Notices and other communications to the Designated Agent, the Issuing Lenders or the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Designated Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Designated Agent, the applicable

Issuing Lender and each Lender. The Designated Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Unless the Designated Agent otherwise prescribes, (i)(i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii)(ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(d) (i) The Borrower agrees that the Designated Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Issuing Lenders and the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform").

(i) ~~(ii)~~ The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Designated Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, any Issuing Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Designated Agent's transmission of Communications through the Platform, except to the extent such liability resulted from the gross negligence or willful misconduct of the Designated Agent or any of its Related Parties as determined by a court of competent jurisdiction in a final non-appealable judgment. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Designated Agent, any Lender or any Issuing Lender by means of electronic communications pursuant to this Section, including through the Platform.

10.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Designated Agent or any Lender, any right, remedy,

power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5 Payment of Expenses and Taxes. The Borrower agrees (a)(a) to pay or reimburse the Designated Agent, each Issuing Lender and the Lenders for all their respective reasonable out of pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements of only one joint counsel and one joint special California counsel and, if necessary, one joint local counsel in each other relevant jurisdiction to the Designated Agent, the Issuing Lenders and the Lenders (and in the case of an actual or perceived conflict of interest, one additional counsel for each applicable jurisdiction to each group of similarly situated affected persons) and filing and recording fees and expenses, with statements with respect to the foregoing to be submitted to the Borrower prior to the Effective Date (in the case of amounts to be paid on the Effective Date) and from time to time thereafter on a quarterly basis or such other periodic basis as the Designated Agent shall deem appropriate, (b)(b) to pay or reimburse each Lender, each Issuing Lender, and the Designated Agent for all its costs and expenses incurred in connection with the enforcement or preservation of its rights under this Agreement, the other Loan Documents and any such other documents, including the reasonable fees and disbursements of only one joint counsel, one joint special California counsel and, if necessary, one local counsel in each other relevant jurisdiction to the Designated Agent, the Issuing Lenders and the Lenders (and in the case of an actual or perceived conflict of interest, one additional counsel for each applicable jurisdiction to each group of similarly situated affected persons), and (c)(c) to pay, indemnify, and hold each Lender, each Issuing Lender, the Designated Agent and their respective Affiliates and their respective officers, directors, employees and agents (each, an "Indemnitee") harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever whether brought by the Borrower or any other Person, with respect to the execution, delivery, enforcement and performance of, or arising out of or in connection with, this Agreement, the other Loan Documents and any such other documents, including any of the foregoing relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law directly or indirectly relating to the Borrower, its Significant Subsidiaries or any of the facilities and properties owned, leased or operated by the Borrower or its Significant Subsidiaries and the reasonable, documented and invoiced fees and expenses of one joint counsel and one joint special California counsel and, if necessary, one joint local counsel in each other relevant jurisdiction to the applicable Indemnitee (and in the case of an actual or perceived conflict of interest, one additional counsel for each applicable

jurisdiction to each group of similarly situated affected persons), in connection with claims, actions or proceedings by any Indemnatee against the Borrower under any Loan Document (all the foregoing in this clause (c), collectively, the “Indemnified Liabilities”), provided, that the Borrower shall have no obligation hereunder to any Indemnatee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities resulted from, as determined in a final non-appealable judgment by a court of competent jurisdiction, (x) the gross negligence, bad faith or willful misconduct of such Indemnatee or its Affiliates, (y) the material breach of such Indemnatee’s funding obligations hereunder or (z) a dispute amongst one or more Lenders not arising from the Borrower’s breach of its obligations under the Loan Documents (other than a dispute involving a claim against an Indemnatee for its acts or omissions in its capacity as an arranger, bookrunner, agent or similar role in respect of the Loan Agreement, except, to the extent such acts or omissions are determined by a court of competent jurisdiction by a final and non-appealable judgment to have constituted the gross negligence, bad faith or willful misconduct of such Indemnatee in such capacity). Without limiting the foregoing, and to the extent permitted by applicable law, the Borrower agrees not to assert and to cause its Significant Subsidiaries not to assert, and hereby waives and agrees to cause its Significant Subsidiaries to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnatee. All amounts due under this Section 10.5 shall be payable not later than 30 days after written demand therefor, subject to the Borrower’s receipt of reasonably detailed invoices. Statements payable by the Borrower pursuant to this Section 10.5 shall be submitted to Treasurer (Telephone No. (415) 817-8199/(415) 267-7000) (Telecopy No. (415) 267-7265/7268), at the address of the Borrower set forth in Section 10.2(a) with a copy to Chief Counsel, Corporate (Telephone No. (415) 817-8200) (Telecopy No. (415) 817-8225), at the address of the Borrower set forth in Section 10.2(a), or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Designated Agent. The agreements in this Section 10.5 shall survive for two years after repayment of the Loans and all other amounts payable hereunder. This Section 10.5 shall not apply with respect to Taxes, other than Taxes that represent claims, damages, losses, liabilities, costs or expenses arising from non-Tax claims.

10.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Lender that issues any Letter of Credit), except that (i)(i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii)(ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.6.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (each, an “Assignee”) other than a Defaulting Lender, any Subsidiary of a Defaulting Lender, any natural person (or holding company, investment vehicle or trust for, or owned or operated by or for the primary benefit of, one or more natural persons), the Borrower or any of the Borrower’s Affiliates or Subsidiaries, all or a portion

of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

- a. the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender (or an Affiliate of any Lender) or an Approved Fund or, if an Event of Default under Section 8(a), (e) or (f) has occurred and is continuing, any other Person, and provided further, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Designated Agent within ten (10) Business Days after having received notice thereof from the assigning Lender (with a copy to the Designated Agent);
 - b. the Designated Agent, provided that no consent of the Designated Agent shall be required for an assignment of any Commitment or Loan to an Assignee that is a Lender (or an Affiliate of a Lender) with a Commitment or Loan immediately prior to giving effect to such assignment; and
 - c. each Issuing Lender.
- (ii) Assignments shall be subject to the following additional conditions:
- a. except in the case of an assignment to a Lender, an Eligible Assignee that is an Affiliate of any Lender or an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans, the amount of the Commitments or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Designated Agent) shall not be less than \$10,000,000 (or, if such Assignee is an Eligible Assignee that is an Affiliate of a Lender, \$5,000,000) unless each of the Borrower and the Designated Agent otherwise consent, provided that (1)(1) no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing and (2)(2) with respect to any Lender party to this Agreement on the Effective Date, such amounts shall be aggregated in respect of such Lender and any Affiliate of such Lender that is an Eligible Assignee;
 - b. the parties to each assignment shall execute and deliver to the Designated Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; and
 - c. the Assignee, if it shall not be a Lender, shall deliver to the Designated Agent an administrative questionnaire.

In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Designated Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the Assignee of participations or subparticipations, or other compensating actions, including funding, with the

consent of the Borrower and the Designated Agent, the applicable pro rata share of Loans and L/C Obligations previously requested but not funded by the Defaulting Lender, to each of which the applicable Assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Designated Agent, any Issuing Lender or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the Assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, shall have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 10.5 but shall be subject to the limitations set forth therein); provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from the Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Designated Agent, acting for this purpose as a non-fiduciary agent of the Borrower (and such agency being solely to establish that the relevant obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations), shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Designated Agent, the Issuing Lenders and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, each Issuing Lender and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the

Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Designated Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower, the Designated Agent or any Issuing Lender, sell participations to one or more banks or other entities (other than a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A)(A) such Lender's obligations under this Agreement shall remain unchanged, (B)(B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C)(C) the Borrower, the Designated Agent, the Issuing Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that ~~(H)~~ requires the consent of each Lender directly affected thereby pursuant to the proviso to the second sentence of Section 10.1 and ~~(2)~~ directly affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section.

(vi) ~~(H)~~ Notwithstanding anything to the contrary herein, a Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent to such greater payments. Any Participant that is a Foreign Lender shall not be entitled to the benefits of Section 2.16 unless such Participant complies with Section 2.16(e).

(vii) ~~(H)~~ Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except

to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Designated Agent (in its capacity as Designated Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank having jurisdiction over such Lender, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

(e) The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (d) above.

(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Borrower, the Designated Agent or any Issuing Lender and without regard to the limitations set forth in Section 10.6(b). Each of the Borrower, each Lender and the Designated Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage, expense, obligations, penalties, actions, judgments, suits or any kind whatsoever arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance.

(g) Notwithstanding anything to the contrary in this Section, none of the Agents, in their capacity as Lenders, will assign without the consent of the Borrower, prior to the Effective Date, any of the Commitments held by them on the Effective Date.

(h) Notwithstanding anything to the contrary in this Section 10.6, for the avoidance of doubt, Goldman Sachs Bank USA may assign any amount of its Commitments or Loans hereunder to Goldman Sachs Lending Partners LLC (or vice versa) without the prior written consent of any other Person.

10.7 Adjustments; Set off.

(a) Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender, if any Lender (a "Benefitted Lender") shall receive any payment of all or part of the Obligations owing to it hereunder, or receive any collateral in respect thereof (whether voluntarily or

involuntarily, by set off, pursuant to events or proceedings of the nature referred to in Section 8(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender hereunder, such Benefitted Lender shall purchase for cash from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender hereunder, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, including other rights of set-off, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise), after any applicable grace period, to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch, Affiliate or agency thereof to or for the credit or the account of the Borrower; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Designated Agent for further application in accordance with the provisions of Section 2.20 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Designated Agent, the Issuing Lenders and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Designated Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the Borrower and the Designated Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.8 Counterparts; Electronic Execution; Binding Effect. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of an original executed counterpart hereof. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use

of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Designated Agent to accept electronic signatures in any form or format without its prior written consent. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Designated Agent, the Lenders and the Issuing Lenders, electronic images of this Agreement or any other Loan Documents (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto. This Agreement shall become binding on the parties hereto when it shall have been executed by the Designated Agent and the Designated Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

10.9 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.9, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Designated Agent or any Issuing Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.10 Integration. This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Designated Agent, and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Designated Agent, or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

10.11 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12 Submission To Jurisdiction; Waivers. The Borrower hereby irrevocably and unconditionally:

- (a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof;

- (b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;
- (c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower at its address set forth in Section 10.2(a) or at such other address of which the Designated Agent shall have been notified pursuant thereto;
- (d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and
- (e) waives, to the maximum extent not prohibited by law, and agrees not to assert any right it may have to claim or recover in any legal action or proceeding relating to this Agreement or any other Loan Document any special, exemplary, punitive or consequential damages.

NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE DESIGNATED AGENT, ANY LENDER OR ANY ISSUING LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

10.13 Acknowledgments. The Borrower hereby acknowledges that:

- (a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;
- (b) none of the Designated Agent or any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Designated Agent and Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and
- (c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and the Lenders.

10.14 Confidentiality. Each of the Designated Agent and each Lender agrees to keep confidential in accordance with such party's customary practices (and in any event in compliance with applicable law regarding material non-public information) all non-public information provided to it by the Borrower, the Designated Agent or any Lender pursuant to or in connection with this Agreement that is designated by the provider thereof as confidential; provided that nothing herein shall prevent the Designated Agent or any Lender from disclosing any such information (a)(a) to the Designated Agent, any other Lender or any Affiliate thereof, (b)(b) subject to an agreement to comply with the provisions of this Section or substantially equivalent provisions, to any actual or prospective Transferee, any direct or indirect counterparty to any Swap Agreement (or any professional advisor to such counterparty) or any credit insurance providers, (c)(c) to its employees, directors, agents, attorneys, service providers, accountants and other professional advisors or those of any of its Affiliates (as long as such attorneys, service providers, accountants and other professional

advisors are directed to comply with confidentiality requirements substantially equivalent to this Section), (d)(d) upon the request or demand of any Governmental Authority, (e)(e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f)(f) if requested or required to do so in connection with any litigation or similar proceeding, (g)(g) that has been publicly disclosed, (h)(h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, (i)(i) in connection with the exercise of any remedy hereunder or under any other Loan Document, (j) any rating agency in connection with rating of the Borrower or its Subsidiaries or the credit facilities provided hereunder or (k) to the extent such information (i) becomes available to the Designated Agent, any Lender, Issuing Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower or its Subsidiaries or (ii) is independently discovered or developed by a party hereto without utilizing any information received from the Borrower or its Subsidiaries or violating the terms of this Section 10.14, provided that, in the case of clauses (d), (e) and (f) of this Section 10.14, with the exception of disclosure to bank regulatory authorities, the Borrower (to the extent legally permissible) shall be given prompt prior notice so that it may seek a protective order or other appropriate remedy.

10.15 WAIVERS OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, THE BORROWER, THE DESIGNATED AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

10.16 USA Patriot Act; Beneficial Ownership Regulation. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

10.17 Judicial Reference. If any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Loan Document, (i)(i) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a "provisional remedy" as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (ii)(ii) without limiting the generality of Section 10.5, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

10.18 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that: (i)(i) (A)(A) the arranging and other services regarding this Agreement provided by the Agents, the Arrangers and the Lenders are arm's-length commercial transactions between the Borrower, on the one hand, and the

Agents, the Arrangers and the Lenders, on the other hand, (B)(B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C)(C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii)(ii) (A)(A) each Agent, Arranger and Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any other Person and (B)(B) none of the Agents, Arrangers or Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii)(iii) the Agents, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Agents, Arrangers or Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agents, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby other than a breach of the confidentiality provisions set forth in Section 10.14.

10.19 Acknowledgement Regarding Any Supported QFCs.

(a) To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(b) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support..

10.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - 1. a reduction in full or in part or cancellation of any such liability;
 - 2. a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - 3. the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written

PACIFIC GAS AND ELECTRIC COMPANY

By: _____

Name:

Title:

JPMORGAN CHASE BANK, N.A., as Co-Administrative Agent, an Issuing Lender and as a Lender

By: _____

Name:

Title:

CITIBANK, N.A., as Co-Administrative Agent, Designated Agent, an Issuing Lender and as a Lender

By: _____

Name:

Title:

BANK OF AMERICA, N.A., as an Issuing Lender and as a Lender

By: _____

Name:

Title:

BARCLAYS BANK PLC, as an Issuing Lender and as a Lender

By: _____

Name:

Title:

CITICORP NORTH AMERICA, INC., as a Lender

By: _____

Name:

Title:

GOLDMAN SACHS BANK USA, as an Issuing Lender and as a Lender

By: _____

Name:

Title:

BNP PARIBAS, as an Issuing Lender and as a Lender

By: _____

Name:

Title:

By: _____

Name:

Title:

CREDIT SUISSE AG, NEW YORK BRANCH, as an Issuing Lender and
as a Lender

By: _____

Name:

Title:

By: _____

Name:

Title:

MIZUHO BANK, LTD., as an Issuing Lender and as a Lender

By: _____

Name:

Title:

MUFG UNION BANK, N.A., as an Issuing Lender and as a Lender

By: _____

Name:

Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing
Lender and as a Lender

By: _____

Name:

Title:

BANK OF MONTREAL, CHICAGO BRANCH, as a Lender

By: _____

Name:

Title:

THE BANK OF NEW YORK MELLON, as a Lender

By:

Name:

Title:

**AMENDMENT NO. 8 TO
RECEIVABLES FINANCING AGREEMENT**

This AMENDMENT NO. 8 TO RECEIVABLES FINANCING AGREEMENT, dated as of September 30, 2022 (this “Amendment”), among PG&E AR Facility, LLC, a Delaware limited liability company (the “Borrower”), Pacific Gas and Electric Company, a California corporation (“PG&E”), as initial Servicer (in such capacity, the “Servicer”) and as retention holder (in such capacity, the “Retention Holder”), JPMorgan Chase Bank, N.A. (“JPM”), as a Committed Lender and as a Group Agent, Jupiter Securitization Company LLC (“Jupiter”), as a Conduit Lender, Mizuho Bank, Ltd. (“Mizuho”), as a Committed Lender and as a Group Agent, BNP Paribas (“BNP”), as a Committed Lender and as a Group Agent, Starbird Funding Corporation (“Starbird”), as a Conduit Lender, Victory Receivables Corporation (“Victory”), as a Conduit Lender, and MUFG Bank, Ltd. (“MUFG”), as a Committed Lender, as a Group Agent and as Administrative Agent.

W I T N E S S E T H:

WHEREAS, the parties hereto have heretofore entered into that certain Receivables Financing Agreement, dated as of October 5, 2020 (as amended, restated, supplemented, assigned or otherwise modified from time to time, the “Agreement”);

WHEREAS, concurrently herewith, the Borrower, the Servicer, each Group Agent and the Administrative Agent are entering into that certain Amended and Restated Fee Letter, dated as of the date hereof (as amended, restated, supplemented, assigned or otherwise modified from time to time, the “Fee Letter”); and

WHEREAS, the parties hereto seek to modify the Agreement upon the terms hereof.

NOW, THEREFORE, in exchange for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged and confirmed), each of the parties hereto agree as follows:

A G R E E M E N T:

1. Definitions. Unless otherwise defined or provided herein, capitalized terms used herein have the meanings attributed thereto in (or by reference in) Section 1.01 of the Agreement.
2. Amendments to the Agreement. Effective as of the date hereof, the Agreement is hereby amended as follows:
 - (a) The Agreement is hereby amended to incorporate the changes shown on the marked pages of the Agreement attached hereto as Exhibit A.
 - (b) Exhibit G of the Agreement is hereby replaced in its entirety with the exhibit attached hereto as Exhibit G.
3. Conditions to Effectiveness. This Amendment shall be effective as of the date hereof, upon satisfaction of the following conditions:

(c) receipt by the Administrative Agent of executed counterparts of this Amendment duly executed by each of the parties hereto;

(d) receipt by the Administrative Agent of executed counterparts of the Fee Letter duly executed by each of the parties thereto; and

(e) the Administrative Agent shall have received evidence that the Upfront Fee (as defined in the Fee Letter) has been received by each Group Agent.

4. Certain Representations and Warranties. Each of the Servicer, the Retention Holder and the Borrower represents and warrants to each Credit Party as of the date hereof, as follows:

(f) Representations and Warranties. Both before and immediately after giving effect to this Amendment, the Fee Letter and the transactions contemplated hereby and thereby, all of its respective representations and warranties contained in the Agreement (other than the representations and warranties set forth in Sections 6.01(f)(ii) and (l) of the Agreement and in Sections 6.02(f)(ii), (m)(i), (m)(ii) and (p) of the Agreement) and each other Transaction Document to which it is a party that (x) do not contain a materiality qualification are true and correct in all material respects on and as of the date hereof, and (y) contains a materiality qualification are true and correct on and as of the date hereof (or, to the extent such representations and warranties specifically relate to an earlier date, such representations and warranties were true and correct in all material respects, or true and correct, as the case maybe, as of such earlier date).

(g) Power and Authority; Due Authorization. That it has all necessary corporate power, limited liability company power, and authority (as applicable) to (i) execute and deliver this Amendment, the Fee Letter and the transactions contemplated hereby and thereby and (ii) perform its obligations under this Amendment, the Agreement (as amended hereby), the Fee Letter and each of the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Amendment, the Agreement, the Fee Letter and the other Transaction Documents to which it is a party have been duly authorized by all necessary corporate or limited liability company action, as applicable.

(h) Binding Obligations. This Amendment, the Agreement (as amended hereby), the Fee Letter and each of the other Transaction Documents to which it is a party constitute the legal, valid and binding obligations of the Borrower, the Servicer and the Retention Holder, as applicable, enforceable against the Borrower, the Servicer or the Retention Holder, as applicable, in accordance with their respective terms, except as enforceability may be limited by (x) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and (y) applicable Requirements of Law (including the approval of the CPUC) prior to foreclosure or other exercise of remedies hereunder or under the Transaction Documents.

(i) No Event of Default or Termination Events. No Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event has occurred and is continuing, and no Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event would result from this Amendment, the Fee Letter or the transactions contemplated hereby or thereby.

5. Reference to and Effect on the Agreement and the Other Transaction Documents.

(j) From and after the effectiveness of this Amendment, each reference in the Agreement to “this Agreement”, “hereof”, “herein”, “hereunder” or words of like import, and each reference in each of the other Transaction Documents to the “Receivables Financing Agreement”, “thereunder”, “thereof” or words of like import, in each case referring to the Agreement, shall mean and be, a reference to the Agreement, as amended hereby.

(k) The Agreement (except as specifically amended herein) and the other Transaction Documents are hereby ratified and confirmed in all respects by each of the parties hereto and shall remain in full force and effect in accordance with its respective terms.

(l) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of or amendment to, any right, power or remedy of the Administrative Agent or any other Credit Party under, nor constitute a waiver of or amendment to, any other provision or condition under, the Agreement or any other Transaction Document.

6. Costs and Expenses. The Borrower agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent and the other Credit Parties in connection with the preparation, negotiation, execution and delivery of this Amendment and the transactions contemplated hereby.

7. GOVERNING LAW. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICT OF LAWS PROVISIONS THEREOF).

8. Transaction Documents. This Amendment is a Transaction Document executed pursuant to the Agreement and shall be construed, administered and applied in accordance with the terms and provisions thereof.

9. Integration. This Amendment, the Agreement and the other Transaction Documents contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings.

10. Severability. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile transmission, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of an original executed counterpart hereof or any other electronic means as provided in the immediately following sentence. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this

Amendment and the transactions contemplated hereby shall be deemed to include an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

12. Mutual Negotiations. This Amendment is the product of mutual negotiations by the parties hereto and their counsel, and no party shall be deemed the draftsperson of this Amendment or any provision hereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Amendment, such inconsistency or ambiguity shall not be interpreted against any party because of such party's involvement in the drafting thereof.

13. Headings. The captions and headings of this Amendment are included herein for convenience of reference only and shall not affect the interpretation of this Amendment.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

PG&E AR FACILITY, LLC

By: /s/ Monica Klemann
Name: Monica Klemann
Title: Assistant Treasurer

PACIFIC GAS AND ELECTRIC COMPANY,
as the Servicer and as Retention Holder

By: /s/ Margaret K. Becker
Name: Margaret K. Becker
Title: Vice President and Treasurer

MUFG BANK, LTD.,
as Administrative Agent

By: /s/ Eric Williams
Name: Eric Williams
Title: Managing Director

MUFG BANK, LTD.,
as Group Agent for the MUFG Group

By: /s/ Eric Williams
Name: Eric Williams
Title: Managing Director

MUFG BANK, LTD.,
as a Committed Lender

By: /s/ Eric Williams
Name: Eric Williams
Title: Managing Director

VICTORY RECEIVABLES CORPORATION,
as a Conduit Lender

By: /s/ Kevin J. Corrigan
Name: Kevin J. Corrigan
Title: Vice President

MIZUHO BANK, LTD.,
as Group Agent for the Mizuho Group

By: /s/ Richard A. Burke
Name: Richard A. Burke
Title: Managing Director

MIZUHO BANK, LTD.,
as a Committed Lender

By: /s/ Richard A. Burke
Name: Richard A. Burke
Title: Managing Director

BNP PARIBAS,
as Group Agent for the BNP Group

By: /s/ Chris Fukuoka
Name: Chris Fukuoka
Title: Director

By: /s/ Advait Joshi
Name: Advait Joshi
Title: Director

BNP PARIBAS,
as a Committed Lender

By: /s/ Chris Fukuoka
Name: Chris Fukuoka
Title: Director

By: /s/ Advait Joshi
Name: Advait Joshi
Title: Director

STARBIRD FUNDING CORPORATION,
as a Conduit Lender

By: /s/ David V. DeAngelis
Name: David V. DeAngelis
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as Group Agent for the JPM Group

By: /s/ Corina Mills
Name: Corina Mills
Title: Executive Director

JPMORGAN CHASE BANK, N.A.,
as a Committed Lender

By: /s/ Corina Mills
Name: Corina Mills
Title: Executive Director

JUPITER SECURITIZATION COMPANY LLC,
as a Conduit Lender

By: /s/ Corina Mills
Name: Corina Mills
Title: Executive Director

Exhibit A
(attached)

Exhibit G
Form of Monthly Report
(attached)

~~Conformed Through Commitment Increase Request, dated August 12, 2022~~
EXHIBIT A To Amendment 8 to Receivables Financing Agreement, dated as of September

30, 2022

RECEIVABLES FINANCING AGREEMENT

Dated as of October 5, 2020 by and among
PG&E AR FACILITY, LLC,
as Borrower,

THE PERSONS FROM TIME TO TIME PARTY HERETO,
as Lenders and as Group Agents,

MUFG BANK, LTD.,
as Administrative Agent,

and

PACIFIC GAS AND ELECTRIC COMPANY,
as initial Servicer and as Retention Holder

TABLE OF CONTENTS
(continued)

Page

EXHIBITS

EXHIBIT A – Form of Loan Request
EXHIBIT B – Form of Reduction Notice
EXHIBIT C – Form of Assignment and Acceptance Agreement
EXHIBIT D – [Reserved]
EXHIBIT E – Form of CARE Program Inclusion Request
EXHIBIT F – Credit and Collection Policy
EXHIBIT G – Form of Monthly Report
EXHIBIT H – Form of Compliance Certificate
EXHIBIT I – Closing Memorandum
EXHIBIT J – Form of Daily Report
EXHIBIT K – Form of Weekly Report
EXHIBIT L – Form of [Seasonal](#) Commitment ~~Increase~~[Change](#) Request

SCHEDULES

SCHEDULE I – Commitments
SCHEDULE II – Lock-Boxes, Collection Accounts and Borrower Accounts SCHEDULE III – Notice Addresses

proceeds of all Related Security with respect to such Pool Receivable and (d) all other proceeds of such Pool Receivable.

“Commitment” means, with respect to any Committed Lender (including a Related Committed Lender) and any date of determination during any Period, the maximum aggregate amount which such Person is obligated to lend hereunder on account of all Loans as set forth on Schedule I or in the Assignment and Acceptance Agreement or other agreement pursuant to which it became a Lender, as such amount may be modified in connection with any subsequent assignment pursuant to Section 13.03 or in connection with a reduction in the Facility Limit pursuant to Section 2.02(e) or any increase or decrease in Commitments pursuant to Section 2.02(h). If the context so requires, “Commitment” also refers to a Committed Lender’s obligation to make Loans hereunder in accordance with this Agreement.

“Committed Lenders” means MUFG and each other Person that is or becomes a party to this Agreement in the capacity of a “Committed Lender”.

“Commonly Controlled Entity” means an entity, whether or not incorporated, that is under common control with any PG&E Party within the meaning of Section 4001 of ERISA or is part of a group that includes any PG&E Party and that is treated as a single employer under Section 414 of the Code.

“Concentration Limit” means at any time for any Obligor, the product of (i) such Obligor’s Specified Concentration Percentage, times (ii) the aggregate Unpaid Balance of the Eligible Receivables included in the Receivables Pool at the time of determination.

“Conduit Lender” means each commercial paper conduit that is or becomes a party to this Agreement in the capacity of a “Conduit Lender”.

“Confirmation Order” means that certain order of the United States Bankruptcy Court for the Northern District of California, San Francisco Division dated June 20, 2020 Docket No. 8053 confirming a plan of reorganization same as or substantially similar to the Plan of Reorganization.

“Contract” means, with respect to any Receivable, a contract (including any purchase order or invoice), between an Originator and an Obligor, pursuant to which such Receivable arises or which evidences such Receivable. A “related” Contract with respect to a Receivable means a Contract under which such Receivable arises or which is relevant to the collection or enforcement of such Receivable.

“Control Direction” has the meaning set forth in the Intercreditor Agreement.

“CP Rate” means, (a) with respect to Jupiter Securitization Company LLC and for any Interest Period (or portion thereof) for any Portion of Capital, the per annum rate calculated to yield the “weighted average cost” (as defined below) for such Interest Period (or portion thereof) in respect to Notes issued by such Conduit Lender; provided, however, that if any component of such rate is a discount rate, in calculating the CP Rate for such Interest Period (or portion thereof), the rate resulting from converting such discount rate to an interest bearing equivalent

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Eighth Amendment Date” means September 30, 2022.

“Eligible Assignee” means (i) any Committed Lender or any of its Affiliates, (ii) any Person managed by a Committed Lender or any of its Affiliates and (iii) any other financial or other institution.

“Eligible Contract” means a Contract governed by the law of the United States of America or of any State thereof that contains an obligation to pay a specified sum of money on or before a date certain and that has been duly authorized by each party thereto and which (i) does not contain a legally enforceable right on the part of the Obligor thereunder to consent to any transfer, sale or assignment thereof or of the related Receivable or any proceeds of any of the foregoing, (ii) is not subject to a confidentiality provision, covenant of non-disclosure or similar restrictions that would restrict the ability of the Administrative Agent or any Credit Party to fully exercise or enforce its rights under the Transaction Documents (including any rights thereunder assigned or originated to them hereunder) with respect to the related Receivable, (iii) is not “chattel paper” as defined in the UCC of any jurisdiction governing the perfection or assignment of the related Receivable, (iv) that is in substantially the form of one of the form contracts set forth on Exhibit D hereto or otherwise approved by the Administrative Agent in writing and (v) is in full force and effect.

“Eligible Receivable” means, as of any date of determination, a Receivable:

(a) (i) which represents all or part of the sales price of goods sold, or services provided, by an Originator to the related Obligor in the ordinary course of such Originator’s business, (ii) which has been sold or contributed and otherwise validly transferred to the Borrower pursuant to the Purchase and Sale Agreement and for which the Borrower has good and marketable title thereto free and clear of any Adverse Claim, (iii) for which all obligations of the related Originator in connection with which have been fully performed, (iv) no portion of which is in respect of any amount as to which the related Obligor is permitted to withhold payment until the occurrence of a specified event or condition (including “guaranteed” or “conditional” sales or any performance by an Originator), (v) which is not issued under cash-in-advance or cash-on-account terms and (vi) with payment terms of not more than 60 days from the original invoice date for such Receivable; provided that, for the avoidance of doubt, no

organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in the Loans or Commitment pursuant to a law in effect on the date on which (i) such Lender makes a Loan or its Commitment or (ii) such Lender changes its lending office, except in each case to the extent that amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office and (c) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Executive Order” means Executive Order No. 13224 on Terrorist Financings: Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism issued on September 23, 2001.

“Exiting Group” has the meaning specified in Section 2.02(g).

“Facility Limit” means, as of any date of determination, the aggregate Commitment of each Committed Lender at such time, as reduced from time to time pursuant to Section 2.02(e) or increased or decreased pursuant to Section 2.02(h). References to the unused portion of the Facility Limit shall mean, at any time of determination, an amount equal to (x) the Facility Limit at such time, minus (y) the Aggregate Capital at such time.

~~“Facility Limit Increase Date” has the meaning set forth in Section 2.02(h).~~

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“FCPA” has the meaning set forth in Section 6.01(n)(ii).

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum, determined by Administrative Agent, equal (for each day during such period) to:

- (a) the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York; or
- (b) if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

“Peak Periods” means the following periods (i) the period including the calendar months of April, May and June of each calendar year and (ii) the period including the calendar months of October, November and December of each calendar year.

“Percentage” means, at any time of determination, with respect to any Committed Lender, a fraction (expressed as a percentage), (a) the numerator of which is (i) prior to the termination of all Commitments hereunder, its Commitment at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Loans being funded by such Lender at such time and (b) the denominator of which is (i) prior to the termination of all Commitments hereunder, the aggregate Commitments of all Committed Lenders at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Loans at such time.

“Period 1” means the period beginning on and including the Monthly Settlement Date falling in December of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in March of the following calendar year.

“Period 2” means the period beginning on the Monthly Settlement Date falling in March of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in May of the same calendar year.

“Period 3” means the period beginning on the Monthly Settlement Date falling in May of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in July of the same calendar year.

“Period 4” means the period beginning on and including the Monthly Settlement Date falling in July of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in October of the same calendar year.

“Period 5” means the period beginning on and including the Monthly Settlement Date falling in October of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in November of the same calendar year.

“Period 6” means the period beginning on and including the Monthly Settlement Date falling in November of each calendar year and ending on, but excluding, the Monthly Settlement Date falling in December of the same calendar year.

“Periods” means each of Period 1, Period 2, Period 3, Period 4, Period 5 and Period 6. “Periodic Term SOFR Determination Day” has the meaning specified in the definition of

“Term SOFR”.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or any Governmental Authority.

“PG&E” has the meaning set forth in the preamble to this Agreement.

“Returned Goods” means all right, title and interest in and to returned, repossessed or foreclosed goods and/or merchandise the sale of which gave rise to a Receivable; provided that such goods shall no longer constitute Returned Goods after a Deemed Collection has been deposited in a Borrower Account with respect to the full Unpaid Balance of the related Receivables.

“Revenue Assurance Receivable” means any Receivable, the Obligor of which acquired the related good or service unlawfully or otherwise without the consent of the related Originator, including as a result of meter tampering, bypassing meters, tapping gas or power lines, tapping into neighboring premises and self-reconnection without consent.

“S&P” means Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business, and any successor thereto that is a nationally recognized statistical rating organization.

“Sale Termination Event” has the meaning set forth in the Purchase and Sale Agreement.

“Sanctioned Country” means, at any time, a country or territory which is the subject or target of any Sanctions, including as of the Sixth Amendment Date, Cuba, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, Crimea (Ukraine), Iran, Syria and North Korea.

“Sanctioned Person” means, at any time, (a) any Person currently the subject or the target of any Sanctions, including any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”) (or any successor thereto) or the U.S. Department of State, or as otherwise published from time to time; (b) that is fifty-percent or more owned, directly or indirectly, in the aggregate by one or more Persons described in clause (a) above; (c) that is operating, organized or resident in a Sanctioned Country; (d) with whom engaging in trade, business or other activities is otherwise prohibited or restricted by Sanctions; or (e) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a Person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

“Sanctions” has the meaning set forth in Section 6.01(n)(i).

“Scheduled Termination Date” means the earlier of (i) September ~~1530, 2023~~2024, as such date may be extended from time to time pursuant to Section 2.02(g) and (ii) the date that is ten (10) Business Days after the delivery of notice from the Borrower to the Administrative Agent and each Group Agent pursuant to Section 2.02(e) notifying the Administrative Agent and each Group Agent of the Scheduled Termination Date.

“Seasonal Limit Change Date” has the meaning set forth in Section 2.02(h).

“SEC” means the U.S. Securities and Exchange Commission or any governmental agencies substituted therefor.

“Swap Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided, however, that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of PG&E or any of its Subsidiaries shall be a “Swap Agreement”.

“Tax Charges” means any state, city, municipal, county or other local jurisdiction utility tax or surcharge, consumption tax or surcharge, energy commission tax or surcharge, or similar tax, owing by an Obligor, whether separately charged or included in the rate charges to such Obligor, that is applicable or relates to electric and/or natural gas services provided by or on behalf of any Originator.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority and all interest, penalties, additions to tax and any similar liabilities with respect thereto.

~~“Temporary Period” means the period commencing on the Closing Date and ending on (but including) February 28, 2022.~~

“Term SOFR” means

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to any Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor

as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator; provided that, in the event there are multiple successor administrators, the successor administrator hereunder shall be selected by the Administrative Agent and the Borrower).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR. “Termination Date” means the earliest to occur of (a) the Scheduled Termination Date, the date on which the “Termination Date” is declared or deemed to have occurred under Section 9.01 or Section 9.02 and (c) the date selected by the Borrower on which all Commitments have been reduced to zero pursuant to Section 2.02(e).

“Termination Event” has the meaning specified in Section 9.02. For the avoidance of doubt, any Termination Event that occurs shall be deemed to be continuing at all times thereafter unless and until waived in accordance with Section 13.01.

“TO Settlement” means that certain one-time credit issuance by PG&E to certain of its customers occurring in April 2021 related to transmission ownership and in the amount of approximately \$26,000,000.

“Transaction Documents” means this Agreement, the Purchase and Sale Agreement, the Account Control Agreements, the Fee Letter, the Pledge Agreement, each Subordinated Note, the Administrative Services Agreement, Intercreditor Agreement and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement, in each case as the same may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement.

“Transaction Information” means any information provided to any Rating Agency, in each case, to the extent related to such Rating Agency providing or proposing to provide a rating of any Notes or monitoring such rating.

“Trough Periods” means the following periods (i) the period including the calendar months of January, February and March of each calendar year and (ii) the period including the calendar months of July, August and September of each calendar year.

“UCC” means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

SECTION 2.02. Making Loans; Repayment of Loans.

- (a) Each Loan hereunder shall be made on at least two (2) Business Days' prior written request from the Borrower to the Administrative Agent and each Group Agent in the form of a Loan Request attached hereto as Exhibit A. Each such request for a Loan shall be made no later than 2:00 p.m. (New York City time) on a Business Day (it being understood that any such request made after such time shall be deemed to have been made on the following Business Day) and shall specify (i) the amount of the Loan(s) requested (which shall not be less than \$10,000,000 and shall be an integral multiple of \$100,000), (ii) the allocation of such amount among the Groups (which shall be ratable based on the Group Commitments), (iii) the account to which the proceeds of such Loan shall be distributed and (iv) the date such requested Loan is to be made (which shall be a Business Day).
- (b) On the date of each Loan specified in the applicable Loan Request, the Lenders shall, upon satisfaction of the applicable conditions set forth in Article V and pursuant to the other conditions set forth in this Article II, make available to the Borrower in same day funds an aggregate amount equal to the amount of such Loans requested, at the account set forth in the related Loan Request.
- (c) Each Committed Lender's obligation shall be several, such that the failure of any Committed Lender to make available to the Borrower any funds in connection with any Loan shall not relieve any other Committed Lender of its obligation, if any, hereunder to make funds available on the date such Loans are requested (it being understood, that no Committed Lender shall be responsible for the failure of any other Committed Lender to make funds available to the Borrower in connection with any Loan hereunder).
- (d) The Borrower shall repay in full the outstanding Capital of each Lender on the Final Maturity Date. Prior thereto, the Borrower shall, on each Settlement Date, make a prepayment of the outstanding Capital of the Lenders to the extent required under Section 3.01(a) and otherwise in accordance therewith. Notwithstanding the foregoing, the Borrower, in its sole discretion, shall have the right to make a prepayment, in whole or in part, of the outstanding Capital of the Lenders on any Business Day upon two (2) Business Days' prior written notice thereof to the Administrative Agent and each Group Agent in the form of a Reduction Notice attached hereto as Exhibit B; provided, however, that (i) each such prepayment shall be in a minimum aggregate amount of \$10,000,000 and shall be an integral multiple of \$100,000; provided, however that notwithstanding the foregoing, a prepayment may be in an amount necessary to reduce any Borrowing Base Deficit existing at such time to zero, and (ii) any accrued Interest and Fees in respect of such prepaid Capital shall be paid on the immediately following Settlement Date.
- (e) The Borrower may, at any time upon at least ten (10) Business Days' prior written notice to the Administrative Agent and each Group Agent, terminate the Facility Limit in whole or ratably reduce the Facility Limit in part. Each partial reduction in the Facility Limit shall be in a minimum aggregate amount of \$10,000,000 or integral multiples of \$100,000 in excess thereof, and no such partial reduction shall reduce the Facility Limit for any Period to an amount less than \$200,000,000. In connection with any partial

reduction in the Facility Limit, the Commitment of each Committed Lender for each Period shall be ratably reduced.

(f) In connection with any reduction of the Commitments, the Borrower shall remit to the Administrative Agent (i) instructions regarding such reduction and (ii) for payment to the Lenders, cash in an amount sufficient to pay (A) Capital of Lenders in each Group in excess of the Group Commitment of such Group and (B) all other outstanding Borrower Obligations with respect to such reduction (determined based on the ratio of the reduction of the Commitments being effected to the amount of the Commitments prior to such reduction or, if the Administrative Agent reasonably determines that any portion of the outstanding Borrower Obligations is allocable solely to that portion of the Commitments being reduced or has arisen solely as a result of such reduction, all of such portion) including, without duplication, any associated Breakage Fees. Upon receipt of any such amounts, the Administrative Agent shall apply such amounts first to the reduction of the Aggregate Capital, and second to the payment of the remaining outstanding Borrower Obligations with respect to such reduction, including any Breakage Fees, by paying such amounts to the Lenders.

(g) Provided that no Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event has occurred and is continuing, the Borrower may from time to time advise the Administrative Agent and each Group Agent in writing of its desire to extend the Scheduled Termination Date for an additional 364 day period, provided that such request is made not more than one hundred twenty (120) days prior to, and not less than sixty (60) days prior to, the then current Scheduled Termination Date. The Administrative Agent and each Committed Lender (or its Group Agent on its behalf) shall notify the Borrower and the Administrative Agent in writing whether or not such Person is agreeable to such extension (it being understood that the Administrative Agent and the Committed Lenders may accept or decline such a request in their sole discretion and on such terms as they may elect) not less than thirty (30) days prior to the then current Scheduled Termination Date; provided, however, that if the Administrative Agent or any Committed Lender fails to so notify the Borrower and the Administrative Agent, the Administrative Agent or such Committed Lender, as the case may be, shall be deemed to have declined such extension. In the event that the Administrative Agent and one or more Committed Lenders have so notified the Borrower and the Administrative Agent in writing that they are agreeable to such extension, the Borrower, the Servicer, the Administrative Agent, the applicable Group Agents and the applicable Committed Lenders shall enter into such documents as the Administrative Agent, the applicable Group Agents and the applicable Committed Lenders may deem necessary or appropriate to effect such extension, and all reasonable out-of-pocket costs and expenses incurred by the Administrative Agent, the applicable Group Agents and the applicable Committed Lenders in connection therewith (including Attorney Costs) shall be paid by the Borrower. In the event any Committed Lender declines such request to extend the Scheduled Termination Date or is deemed to have declined such extension, such Committed Lender's Group shall be an "Exiting Group" for all purposes of this Agreement.

(h) Provided that no Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event has occurred and is continuing, the Borrower

may advise the Administrative Agent and each Group Agent in writing of its desire to ~~increase~~modify the Commitment of each Committed Lender for one or more Periods and the desired effective date thereof (such desired date, the "~~Facility~~Seasonal Limit ~~Increase~~Change Date") by delivering a Seasonal Commitment ~~Increase~~Change Request in the form attached hereto as Exhibit L ~~(without any modifications to the Commitments set forth on Schedule I thereto)~~ to such Persons, provided that (i) such request is delivered not less than ten (10) ~~days~~Business Days prior to the requested ~~Facility~~Seasonal Limit ~~Increase~~Change Date, (ii) the requested ~~Facility Limit Increase Date is no later than September 30, 2022 and (iii) in connection with such request, the Borrower shall cause to be delivered to the Administrative Agent on or prior to the Facility Limit Increase Date, one or more opinions from external counsel, in form and substance reasonably satisfactory to the Administrative Agent, as to no conflicts with material agreements (a "No-Conflict Opinion")~~aggregate change in Commitments for any Period is allocated ratably among the Committed Lenders, (iii) the aggregate Commitments for the Lenders for any Period does not (x) exceed \$1,500,000,000 or (y) fall below \$1,000,000,000 and (iv) no more than two Seasonal Commitment Change Requests are delivered during any one-year period, commencing with the Eighth Amendment Date. In the event that one or more Committed Lenders are agreeable to such ~~increase~~modification, each applicable Group Agent and each applicable Committed Lender shall countersign such Seasonal Commitment ~~Increase~~Change Request, and so long as the Administrative Agent has received such countersigned signature pages from at least one Committed Lender ~~and a No-Conflict Opinion in form and substance reasonably satisfactory to the Administrative Agent~~, the Commitment of each applicable Committed Lender that has returned a countersigned signature page shall be ~~increased~~modified for each applicable Period to the amount set forth in such Seasonal Commitment ~~Increase~~Change Request effective upon the ~~Facility~~Seasonal Limit ~~Increase~~Change Date; provided, however, that if any Committed Lender fails to so return a countersigned signature page within ten (10) ~~days~~Business Days of receipt of such request, then such Committed Lender shall be deemed to have declined such ~~increase~~modification. On the ~~Facility~~Seasonal Limit ~~Increase~~Change Date, ~~(i)~~ pursuant to notification provided by the Administrative Agent to the Lenders, the Lenders shall rebalance Capital among the Lenders such that after giving effect thereto, the Aggregate Capital is distributed ratably among the Groups based on each Group's Group Commitment ~~and (ii) the Borrower shall pay each Group Agent the applicable "Increase Fee" as set forth in the Fee Letter.~~

SECTION 2.03. Interest and Fees.

- (a) On each Settlement Date, the Borrower shall, in accordance with the terms and priorities for payment set forth in Section 3.01, pay to each Group Agent, each Lender and the Administrative Agent certain fees (collectively, the "Fees") in the amounts set forth in the fee letter agreements from time to time entered into, among the Borrower, the members of the applicable Group (or their Group Agent on their behalf) and/or the Administrative Agent (such fee letter agreements, each as amended, restated, supplemented or otherwise modified from time to time, collectively being referred to herein as the "Fee Letter").
- (b) Each Loan of each Lender and the Capital thereof shall accrue interest on each day when such Capital remains outstanding at the then applicable Interest Rate for such Loan. The Borrower shall pay all Interest, Fees and Breakage Fees accrued during each Interest

of \$200,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 45 days from the entry thereof unless, in the case of a discharge, such judgment or decree is due at a later date in one or more payments and any PG&E Party or such Significant Subsidiary satisfies the obligation to make such payment or payments on or prior to the date such payment or payments become due in accordance with such judgment or decree; or

(w) PG&E shall fail to satisfy the Credit Agreement Financial Covenant. If, after the date hereof, the Credit Agreement Financial Covenant (or any of the defined terms used in connection with such covenant) is amended, modified or waived, then the test set forth in this clause (w) or the defined terms used therein, as applicable, shall, for all purposes of this Agreement, automatically and without further action on the part of any Person, be deemed to be also so amended, modified or waived, if at the time of the effectiveness of such amendment, modification or waiver, (i) each Lender (or an Affiliate thereof) and the Administrative Agent (or an Affiliate thereof) is a party to the Credit Agreement, (ii) each Lender and the Administrative Agent consented in writing to such amendment, modification or waiver under the Credit Agreement and (iii) such amendment, modification or waiver is consummated in accordance with the terms of the Credit Agreement. In the event the Credit Agreement is terminated or replaced, the Credit Agreement Financial Covenant and respective meaning assigned to related terms immediately preceding such termination shall continue for all purposes of this clause (w).

then, and in any such event, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Borrower (x) declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred), (y) declare the Final Maturity Date to have occurred (in which case the Final Maturity Date shall be deemed to have occurred) and (z) declare the Aggregate Capital and all other Borrower Obligations to be immediately due and payable (in which case the Aggregate Capital and all other Borrower Obligations shall be immediately due and payable); provided that, automatically upon the occurrence of any event (without any requirement for the giving of notice) described in subsection (e) of this Section 9.01 with respect to the Borrower, the Termination Date shall occur and the Aggregate Capital and all other Borrower Obligations shall be immediately due and payable. Upon any such declaration or designation or upon such automatic termination, the Administrative Agent and the other Secured Parties shall have, in addition to the rights and remedies which they may have under this Agreement and the other Transaction Documents, all other rights and remedies provided after default under the UCC and under other Applicable Law, which rights and remedies shall be cumulative. Any proceeds from liquidation of the Collateral shall be applied in the order of priority set forth in Section 3.01.

SECTION 9.02. Termination Events. If any of the following events (each a “Termination Event”) shall occur:

- (a) the average of the Dilution Ratios for the three preceding Settlement Periods shall at any time exceed ~~2.50~~2.00%;
- (b) the average of the Days Sales Outstanding for the three preceding Settlement Periods shall at any time exceed ~~(i) solely if the last day of such three Settlement Periods ends during the Temporary Period, 80.00 days or (ii) otherwise, 80.00~~90.00 days;

- (c) the average of the Delinquency Ratios for the three preceding Settlement Periods shall at any time exceed (i) ~~solely~~ if the last day of such three Settlement Periods ends during ~~the Temporary~~ a Peak Period, ~~9.00~~8.50% or (ii) ~~otherwise~~ if the last day of such three Settlement Periods ends during a Trough Period, 7.00%;
- (d) the average of the Loss Ratios for the three preceding Settlement Periods shall at any time exceed ~~(i) solely if the last day of such three Settlement Periods ends during the Temporary Period, 6.00% or (ii) otherwise, 4.75~~ 5.75%;
- (e) Receivables cease being sold or contributed by any Originator to the Borrower pursuant to the Purchase and Sale Agreement;
- (f) any PG&E Party makes any material change in the Credit and Collection Policy without the prior written consent of the Administrative Agent and the Majority Group Agents;
- (g) (i) the Collection Account Agent shall fail to perform or observe any term, covenant or agreement under the Intercreditor Agreement, and such failure, solely to the extent capable of cure, shall continue for three (3) Business Days, (ii) the Collection Account Agent shall fail to deliver a “Notice of Sole Control”, a “Notice of Exclusive Control”, a “Notice of Control” or other notice of control to each Collection Account Bank in accordance with each of the Collection Account Control Agreements within two (2) Business Days following receipt by the Collection Account Agent of a Control Direction delivered to the Collection Account Agent by the Administrative Agent or (iii) Citibank, N.A. shall resign as Collection Account Agent, and no successor Collection Account Agent reasonably satisfactory to the Administrative Agent and the Majority Group Agents shall have been appointed;
- (h) the Intercreditor Agreement, at any time after its execution and delivery and for any reason other than satisfaction in full of all the Borrower Obligations, ceases to be in full force and effect; or the Collection Account Agent (or any of its Affiliates) contests in any manner in writing the validity or enforceability of the Intercreditor Agreement; or the Collection Account Agent denies in writing that it has any or further obligation under the Intercreditor Agreement, or purports in writing to revoke, terminate or rescind the Intercreditor Agreement; or
- (i) if a Stop Sweeping Event has occurred and is continuing, the Remaining Transfer Amount of Collections for any Business Day is not transferred to the Borrower Accounts within five (5) Business Days of such Business Day and such failure is not remedied within ten (10) Business Days;
- then, and in any such event, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Borrower declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred).

EXHIBIT L

Form of Seasonal Commitment ~~Increase~~Change Request

[Letterhead of Borrower]

[Date]

[Administrative Agent]

[Group Agents]

Re: Seasonal Commitment ~~Increase~~Change Request Ladies and Gentlemen:

Reference is hereby made to that certain Receivables Financing Agreement, dated as of October 5, 2020 among PG&E AR Facility, LLC (the "Borrower"), Pacific Gas and Electric Company, as Servicer (the "Servicer"), the Lenders party thereto, the Group Agents party thereto and MUFG Bank, Ltd., as Administrative Agent (in such capacity, the "Administrative Agent") (as amended, supplemented or otherwise modified from time to time, the "Agreement"). Capitalized terms used in this Seasonal Commitment ~~Increase~~Change Request and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes a Seasonal Commitment ~~Increase~~Change Request pursuant to Section 2.02(h) of the Agreement. The Borrower hereby requests ~~an increase~~a modification in the Commitment of each Committed Lender for each applicable Period to the amount set forth on Schedule I hereto with an effective date as of [], 2022 (the "Facility Seasonal Limit ~~Increase~~Change Date"). ~~Subject to the delivery of the No-Conflict Opinion referenced in Section 2.02(h) of the Agreement, each~~Each of the parties countersigning this Seasonal Commitment ~~Increase~~Change Request hereby consents to the ~~increase~~modification in the Commitments for each applicable Period to the amounts set forth on Schedule I hereto effective as of the Facility Seasonal Limit ~~Increase~~Change Date.

This Seasonal Commitment ~~Increase~~Change Request shall be effective as of the Facility Seasonal Limit ~~Increase~~Change Date with respect to each Committed Lender that has countersigned this Seasonal Commitment ~~Increase~~Change Request upon receipt by the Administrative Agent of counterparts hereto signed by at least one Committed Lender. In the event that one or more Committed Lenders fails to countersign this Seasonal Commitment ~~Increase~~Change Request, this Seasonal Commitment ~~Increase~~Change Request shall not be effective to ~~increase~~modify the Commitment for any Period of any such Committed Lender that has not countersigned this Seasonal Commitment ~~Increase~~Change Request.

The Borrower hereby represents and warrants as of the date hereof, and after giving effect to such Commitment ~~increases~~modifications, as follows:

- i. the representations and warranties of the Borrower and the Servicer contained in Sections 6.01 and 6.02 of the Agreement (other than the representations and warranties set forth in Sections 6.01(f)(ii) and (l) and in Sections 6.02(f)(ii), (m)(i), (m)(ii) and (p), which representations and warranties are made only as of the Closing Date), that (x) does not contain a materiality qualification are true and correct in all material respects on and as of the date of ~~such Credit Extension~~ the Seasonal Limit Change Date as if made on and as of such date, and (y) contains a materiality qualification are true and correct on and as of the ~~Facility~~ Seasonal Limit IncreaseChange Date as if made on and as of such date (or, to the extent such representations and warranties specifically relate to an earlier date, that such representations and warranties were true and correct in all material respects, or true and correct, as the case maybe, as of such earlier date);
- ii. no Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event has occurred and is continuing, and no Event of Default, Unmatured Event of Default, Termination Event or Unmatured Termination Event would result from such Commitment ~~increase~~ modification;
- iii. no Borrowing Base Deficit exists or would exist after giving effect to such Commitment ~~increase~~ modification;
- iv. the Aggregate Capital will not exceed the Facility Limit; ~~and~~
- v. the aggregate Commitment of the Committed Lenders for each Period does not exceed \$1,500,000,000;
- vi. the aggregate Commitment of the Committed Lenders for each Period is not less than \$1,000,000,000; and
- vii. ~~(v)~~ (v) the Termination Date has not occurred.

THIS SEASONAL COMMITMENT ~~INCREASE~~ CHANGE REQUEST, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICT OF LAWS PROVISIONS THEREOF).

This Seasonal Commitment ~~increase~~ Change Request may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed signature page of this Seasonal Commitment ~~increase~~ Change Request by facsimile transmission, emailed pdf. or any other electronic means that reproduces an image of the actual

executed signature page shall be effective as delivery of an original executed counterpart hereof or any other electronic means as provided in the immediately following sentence. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any

document to be signed in connection with this [Seasonal](#) Commitment ~~Increase~~[Change](#) Request and the transactions contemplated hereby shall be deemed to include an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SCHEDULE I TO SEASONAL COMMITMENT ~~INCREASE~~CHANGE REQUEST
Commitments

<u>Party</u>	<u>Capacity</u>	<u>Period 1 Commitment</u>
MUFG	Committed Lender	\$550,000,000
Mizuho	Committed Lender	\$316,666,666.67
BNP	Committed Lender	\$316,666,666.67
JPM	Committed Lender	\$316,666,666.67

<u>Party</u>	<u>Capacity</u>	<u>Period 2 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	
<u>Mizuho</u>	<u>Committed Lender</u>	
<u>BNP</u>	<u>Committed Lender</u>	
<u>JPM</u>	<u>Committed Lender</u>	

<u>Party</u>	<u>Capacity</u>	<u>Period 3 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	
<u>Mizuho</u>	<u>Committed Lender</u>	
<u>BNP</u>	<u>Committed Lender</u>	
<u>JPM</u>	<u>Committed Lender</u>	

<u>Party</u>	<u>Capacity</u>	<u>Period 4 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	
<u>Mizuho</u>	<u>Committed Lender</u>	
<u>BNP</u>	<u>Committed Lender</u>	
<u>JPM</u>	<u>Committed Lender</u>	

<u>Party</u>	<u>Capacity</u>	<u>Period 5 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	
<u>Mizuho</u>	<u>Committed Lender</u>	
<u>BNP</u>	<u>Committed Lender</u>	
<u>JPM</u>	<u>Committed Lender</u>	

<u>Party</u>	<u>Capacity</u>	<u>Period 6 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	
<u>Mizuho</u>	<u>Committed Lender</u>	
<u>BNP</u>	<u>Committed Lender</u>	
<u>JPM</u>	<u>Committed Lender</u>	

Exhibit L-9

SCHEDULE I
Commitments

<u>Party</u>	<u>Capacity</u>	<u>Period 1 Commitment</u>
MUFG	Committed Lender	\$550,000,000
Mizuho	Committed Lender	\$316,666,666.67
BNP	Committed Lender	\$316,666,666.67
JPM	Committed Lender	\$316,666,666.67

<u>Party</u>	<u>Capacity</u>	<u>Period 2 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	<u>\$366,666,666.67</u>
<u>Mizuho</u>	<u>Committed Lender</u>	<u>\$211,111,111.11</u>
<u>BNP</u>	<u>Committed Lender</u>	<u>\$211,111,111.11</u>
<u>JPM</u>	<u>Committed Lender</u>	<u>\$211,111,111.11</u>

<u>Party</u>	<u>Capacity</u>	<u>Period 3 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	<u>\$458,333,333.33</u>
<u>Mizuho</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>
<u>BNP</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>
<u>JPM</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>

<u>Party</u>	<u>Capacity</u>	<u>Period 4 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	<u>\$550,000,000</u>
<u>Mizuho</u>	<u>Committed Lender</u>	<u>\$316,666,666.67</u>
<u>BNP</u>	<u>Committed Lender</u>	<u>\$316,666,666.67</u>
<u>JPM</u>	<u>Committed Lender</u>	<u>\$316,666,666.67</u>

Schedule I-1

<u>Party</u>	<u>Capacity</u>	<u>Period 5 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	<u>\$440,000,000</u>
<u>Mizuho</u>	<u>Committed Lender</u>	<u>\$253,333,333.34</u>
<u>BNP</u>	<u>Committed Lender</u>	<u>\$253,333,333.34</u>
<u>JPM</u>	<u>Committed Lender</u>	<u>\$253,333,333.34</u>

<u>Party</u>	<u>Capacity</u>	<u>Period 6 Commitment</u>
<u>MUFG</u>	<u>Committed Lender</u>	<u>\$458,333,333.33</u>
<u>Mizuho</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>
<u>BNP</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>
<u>JPM</u>	<u>Committed Lender</u>	<u>\$263,888,888.89</u>

~~Exhibit L~~ Schedule I-2

Exhibit G
Form of Monthly Report
(attached)

PG&E AR Facility LLC
Monthly Service Report as of
(USD, 000) Unless Noted

Advances / Paydowns

Prior Month's CP Outstanding	-
Current Month's Borrowing Base	-
Increase/Decrease in CP Outstanding for / /	-
Current CP Outstanding	-

I. Rollforward Activity

Beginning of Month Receivables Balance	Billed Receivables Monthly Activity	Unbilled Revenue Monthly Activity	Cash Collections Monthly Activity	Gross Write-Off Monthly Activity	Credit Adjustments (Deduction) Monthly Activity	Unapplied Cash Monthly Activity	DVR Monthly Activity	Canceled/Rebills Net Credit Only Monthly Activity	Billing Adjustments Monthly Activity	Customer Refunds Monthly Activity	Other Adjustments Monthly Activity	Billed Taxes & Surcharges Monthly Activity	Other UDC/ESP Monthly Activity	Other Monthly Activity	Recovery Activity	End of Month Receivables Balance (Per GL)	Excluded AR Balance	Modified Ending Receivables Balance
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

II. Portfolio Aging

Unbilled Ending Balance	Unbilled Ending Balance	1-30 DPI	31-60 DPI	61-90 DPI	91-120 DPI	121-150 DPI	151+ DPI	Unapplied Cash Ending Balance	Unapplied Credit Ending Balance	Total Billed Receivables	Total Outstanding Receivables
0	0	0	0	0	0	0	0	0	0	0	0

AR Reconciliation / Difference: 0

III. Eligible Receivables

	(C)	(P)
Ending Balance	-	-
Less:		
Delinquent and Defaulted Receivables	-	-
Intercompany / Affiliate Receivables Ending Balance	-	-
Cross-Aging	-	-
Non-Defaulted Payment Plan Receivables	-	-
Non-Defaulted Revenue Assurance	-	-
Unaged < 30 Days	-	-
Bankrupt Obligor Ending Balance	-	-
CPUC Fees	-	-
Unbilled > 60 Days	-	-
Billed Taxes	-	-
Write-off AR	-	-
Foreign AR	-	-
Wholesale (COT) AR Ending Balance	-	-
ESP Consolidated AR	-	-
CARE < 90 DPD	-	-
Total Ineligible Receivables	-	-
Eligible Receivables	-	-

IV. Obligor Concentrations

Obligor	Outstanding Receivables	Concentration Limit (%)	Concentration Limit (B)	Excess Receivables
1 Top Receivable Balance 1	0	3.00%	0	-
2 Top Receivable Balance 2	0	3.00%	0	-
3 Top Receivable Balance 3	0	3.00%	0	-
4 Top Receivable Balance 4	0	3.00%	0	-
5 Top Receivable Balance 5	0	3.00%	0	-
6 Top Receivable Balance 6	0	3.00%	0	-
7 Top Receivable Balance 7	0	3.00%	0	-
8 Top Receivable Balance 8	0	3.00%	0	-
9 Top Receivable Balance 9	0	3.00%	0	-
10 Top Receivable Balance 10	0	3.00%	0	-
Total Excess Concentration	0	3.00%	0	-

V. Net Pool Balance / Borrowing Base

	(C)	(P)
Eligible Receivables	-	-
Less:		
Unbilled Excess	-	-
Federal Government Excess	-	-
Non-Federal Government Excess	-	-
Customer Default Excess	-	-
Medicaid AR Excess	-	-
Medicaid Payment Plan Excess	-	-
CARE AR Excess	-	-
FERA AR Excess	-	-
Excess Obligor Concentration	-	-
California Climate Credit Account	-	-
Other Credit Account	-	-
Accrued Customer Refunds	-	-
Potential Offsets	-	-
Total Excess Concentration and Accounts	-	-
Net Pool Balance	-	-

M. Reserve Calculations

	Current Month
	£ / ¢
LOSS RESERVE	
Sales during the Month of April, 2022	-
Default Ratio (x VWC)	-
Loss Ratio	0.00%
Loss Ratio 3M Average	0.00%
Loss Horizon Ratio (LHR)	-
Loss Percentage	0.00%
Loss Reserve Floor	0.00%
Loss Reserve Amount	0.00%
DILUTION RESERVE	
Sales during the Month of July, 2022	-
Dilution	-
Dilution Ratio (DR)	0.00%
3M Average Dilution Ratio	0.00%
Adjusted Dilution Ratio (1.3M Average of DR)	0.00%
Dilution Spike (1.3M High of DR)	0.00%
Dilution Volatility Ratio (DR)	0.00%
Dilution Horizon Ratio	0.00%
Dynamic Dilution Reserve	0.00%
Dilution Reserve Floor	0.00%
Dilution Reserve Amount	0.00%
YIELD & SERVICER RESERVE	
Max Days Sales Outstanding (DSO)	-
Base Rate	0.00%
Yield Reserve %	0.00%
Yield Reserve Amount	0.00%
Max Days Sales Outstanding (DSO)	-
Servicing Fee	0.00%
Servicing Fee Reserve %	0.00%
Servicing Fee Reserve Amount	0.00%
REQUIRED RESERVES	
Loss & Dilution Reserve Floor	0.00%
Loss & Dilution Dynamic Reserve	0.00%
Greater of Floor & Dynamic	0.00%
Total Reserve Amount (incl. Yield/Svc)	0.00%
Net Pooled Balance	
Less: Total Reserves	0
Borrowing Base	
Facility Limit	1,000,000,000
Maximum CP Available	
SPV Risk Retention	-

VI. Compliance

	Current Month	
	I /	Compliance
COMPLIANCE TEST		
Is the 3-month rolling average Loss Ratio less than 4.6%?	0.00%	Compliant
Is the 3-month rolling average Delinquency Ratio less than 7.0%?	0.00%	Compliant
Is the 3-month rolling average Dilution Ratio less than 2.50%?	0.00%	Compliant
Is the 3-month rolling average DSO less than 80 days?	0.00	Compliant

The undersigned hereby represents and warrants that the foregoing is a true and accurate accounting with respect to outstanding receivables as of _____ is in accordance with the Receivables Purchase Agreement and that all representations and warranties related to such Agreement are restated and reaffirmed.

Signature: _____ Date: ____ / ____ / ____
Name: Monica Memann
Title: Assistant Treasurer

**PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN**

NON-ANNUAL RESTRICTED STOCK UNIT AWARD

PG&E CORPORATION, a California corporation, hereby grants Restricted Stock Units to the Recipient named below (sometimes referred to as “you”). The Restricted Stock Units have been granted under the PG&E Corporation 2021 Long-Term Incentive Plan, as amended (the “LTIP”). The terms and conditions of the Restricted Stock Units are set forth in this cover sheet and in the attached Restricted Stock Unit Agreement (the “Agreement”).

Date of Grant: <award_date>

Name of Recipient: <First_Name> <Last_Name>

Recipient’s Participant ID: <Emp_Id>

Number of Restricted Stock Units: <shares_awarded>

By accepting this award, you agree to all of the terms and conditions described in the attached Agreement. You and PG&E Corporation agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of the attached Agreement. You are also acknowledging receipt of this award, the attached Agreement, and a copy of the prospectus describing the LTIP and the Restricted Stock Units dated <date>.

Attachment

**PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN**

NON-ANNUAL RESTRICTED STOCK UNIT AGREEMENT

**The LTIP and Other
Agreements**

This Agreement and the above cover sheet constitute the entire understanding between you and PG&E Corporation regarding the Restricted Stock Units, subject to the terms of the LTIP. Any prior agreements, commitments, or negotiations are superseded. In the event of any conflict or inconsistency between the provisions of this Agreement or the above cover sheet and the LTIP, the LTIP will govern. Capitalized terms that are not defined in this Agreement or the above cover sheet are defined in the LTIP. In the event of any conflict between the provisions of this Agreement or the above cover sheet and the PG&E Corporation 2012 Officer Severance Policy, this Agreement or the above cover sheet will govern, as applicable. For purposes of this Agreement, employment with PG&E Corporation means employment with any member of the Participating Company Group.

**Grant of Restricted Stock
Units**

PG&E Corporation grants you the number of Restricted Stock Units shown on the cover sheet of this Agreement. The Restricted Stock Units are subject to the terms and conditions of this Agreement and the LTIP.

**Vesting of Restricted Stock
Units**

As long as you remain employed with PG&E Corporation, the total number of Restricted Stock Units originally subject to this Agreement, as shown on the cover sheet, will vest in accordance with the below vesting schedule (the "Normal Vesting Schedule").

<vesting_schedule>

The amounts payable upon each vesting date are hereby designated separate payments for purposes of Section 409A of the Internal Revenue Code of 1986, as amended ("Code"). Except as described below, all Restricted Stock Units subject to this Agreement which have not vested upon termination of your employment will then be cancelled. As set forth below, the Restricted Stock Units may vest earlier upon the occurrence of certain events.

Dividends

Restricted Stock Units will accrue Dividend Equivalents in the event that cash dividends are paid with respect to PG&E Corporation common stock having a record date prior to the date on which the RSUs are settled. Such Dividend Equivalents will be converted into cash and paid, if at all, upon settlement of the underlying Restricted Stock Units.

Settlement

Vested Restricted Stock Units will be settled in an equal number of shares of PG&E Corporation common stock, subject to the satisfaction of Withholding Taxes, as described below. PG&E Corporation will issue shares as soon as practicable after the Restricted Stock Units vest in accordance with the Normal Vesting Schedule (but not later than sixty (60) days after the applicable vesting date) except as set forth elsewhere in this Agreement.

Voluntary Termination

In the event of your voluntary termination [(other than Retirement)], all unvested Restricted Stock Units will be cancelled on the date of termination.

Retirement	<i><Include this provision if applicable></i> In the event of your Retirement, any unvested Restricted Stock Units that would have vested within the 12 months following such Retirement had your employment continued will continue to vest and be settled pursuant to the Normal Vesting Schedule (without regard to the requirement that you be employed), subject to the earlier settlement provisions of this Agreement; provided, however, that in the event of your Retirement within 2 years following a Change in Control, those Restricted Stock Units that would have vested within 12 months following such Retirement will be vested and settled as soon as practicable after (but not later than 60 days after) the date of such Retirement. All other unvested Restricted Stock Units will be cancelled. Your voluntary termination of employment will be considered Retirement if you are age 55 or older on the date of termination (other than termination for cause) and if you were employed by PG&E Corporation for at least five consecutive years ending on the date of termination of your employment.
Termination for Cause	If your employment with PG&E Corporation is terminated at any time by PG&E Corporation for cause, all unvested Restricted Stock Units will be cancelled on the date of termination. In general, termination for “cause” means termination of employment because of dishonesty, a criminal offense, or violation of a work rule, and will be determined by and in the sole discretion of PG&E Corporation. For the avoidance of doubt, you will not be eligible to retire if your employment is being or is terminated for cause.
Termination other than for Cause	If your employment with PG&E Corporation is terminated by PG&E Corporation other than for cause, any unvested Restricted Stock Units that would have vested within the 12 months following such termination had your employment continued will continue to vest and be settled pursuant to the Normal Vesting Schedule (without regard to the requirement that you be employed), subject to the earlier settlement provisions of this Agreement. All other unvested Restricted Stock Units will be cancelled unless your termination of employment was in connection with a Change in Control as provided below.
Death/Disability	In the event of your death or Disability (as defined in Code Section 409A) while you are employed, all of your Restricted Stock Units will vest and be settled as soon as practicable after (but not later than sixty (60) days after) the date of such event. If your death or Disability occurs following the termination of your employment and your Restricted Stock Units are then outstanding under the terms hereof, then all of your vested Restricted Stock Units plus any Restricted Stock Units that would have otherwise vested during any continued vesting period hereunder will be settled as soon as practicable after (but not later than sixty (60) days after) the date of your death or Disability.
Termination Due to Disposition of Subsidiary	If your employment is involuntarily terminated other than for cause (1) by reason of a divestiture or change in control of a subsidiary of PG&E Corporation for which you provide services, which divestiture or change in control results in such subsidiary no longer qualifying as a subsidiary corporation under Code Section 424(f), or (2) coincident with the sale of all or substantially all of the assets of a subsidiary of PG&E Corporation for which you provide services, then your Restricted Stock Units will vest and be settled in the same manner as for a “Termination other than for Cause” described above.

Change in Control

In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the “Acquiror”), may, without your consent, either assume or continue PG&E Corporation’s rights and obligations under this Agreement or provide a substantially equivalent award in substitution for the Restricted Stock Units subject to this Agreement.

If the Restricted Stock Units are neither so assumed nor so continued by the Acquiror, and the Acquiror does not provide a substantially equivalent award in substitution for the Restricted Stock Units, all of your unvested Restricted Stock Units will vest immediately preceding and contingent on, the Change in Control and be settled as soon as practicable following the date of the Change in Control.

Termination In Connection with a Change in Control

If you separate from service (other than termination for cause, or your voluntary termination[, or your Retirement]) within three months before the Change in Control occurs, all of your outstanding Restricted Stock Units (including Restricted Stock Units that you would have otherwise forfeited after the end of the continued vesting period) will vest on the date of the Change in Control and will be settled as soon as practicable following the date of such separation from service, taking into account any acceleration on account of termination or a change in control.

In the event of such a separation within two years following the Change in Control, your Restricted Stock Units (to the extent they did not previously vest upon, for example, failure of the Acquiror to assume or continue this award) will vest on the date of such separation and will be settled as soon as practicable after (but not later than sixty (60) days after) the date of such separation.

Delay

PG&E Corporation will delay the issuance of any shares of common stock to the extent it is necessary to comply with Code Section 409A(a)(2)(B)(i) (relating to payments made to certain “key employees” of certain publicly-traded companies); in such event, any shares of common stock to which you would otherwise be entitled during the six (6) month period following the date of your “separation from service” under Section 409A (or shorter period ending on the date of your death following such separation) will instead be issued on the first business day following the expiration of the applicable delay period.

Withholding Taxes

The number of shares of PG&E Corporation common stock that you are otherwise entitled to receive upon settlement of Restricted Stock Units will be reduced by a number of shares having an aggregate Fair Market Value, as determined by PG&E Corporation, equal to the amount of any Federal, state, or local taxes of any kind required by law to be withheld by PG&E Corporation in connection with the Restricted Stock Units determined using a rate not exceeding the maximum applicable withholding rates, including social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax ("Withholding Taxes"). If the withheld shares were not sufficient to satisfy your Withholding Taxes, you will be required to pay, as soon as practicable, including through additional payroll withholding, any amount of the Withholding Taxes that is not satisfied by the withholding of shares described above.

Leaves of Absence

For purposes of this Agreement, if you are on an approved leave of absence from PG&E Corporation, or a recipient of PG&E Corporation sponsored disability benefits, you will continue to be considered as employed. If you do not return to active employment upon the expiration of your leave of absence or the expiration of your PG&E Corporation sponsored disability benefits, you will be considered to have voluntarily terminated your employment. See above under "Voluntary Termination."

Notwithstanding the foregoing, if the leave of absence exceeds six (6) months, and a return to service upon expiration of such leave is not guaranteed by statute or contract, then you will be deemed to have had a "separation from service" for purposes of any Restricted Stock Units that are settled hereunder upon such separation. To the extent an authorized leave of absence is due to a medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of at least six (6) months and such impairment causes you to be unable to perform the duties of your position of employment or any substantially similar position of employment, the six (6) month period in the prior sentence will be twenty-nine (29) months.

PG&E Corporation reserves the right to determine which leaves of absence will be considered as continuing employment and when your employment terminates for all purposes under this Agreement.

Voting and Other Rights

You will not have voting rights with respect to the Restricted Stock Units until the date the underlying shares are issued (as evidenced by appropriate entry on the books of PG&E Corporation or its duly authorized transfer agent). No Restricted Stock Units and no shares of Stock that have not been issued hereunder may be sold, assigned, transferred, pledged, or otherwise encumbered, other than by will or the laws of decent and distribution, and the Restricted Stock Units may be exercised during the life of the Recipient only by the Recipient or the Recipient's guardian or legal representative.

No Retention Rights

This Agreement is not an employment agreement and does not give you the right to be retained by PG&E Corporation. Except as otherwise provided in an applicable employment agreement, PG&E Corporation reserves the right to terminate your employment at any time and for any reason.

Recoupment of Awards

Awards are subject to recoupment in accordance with any applicable law and any recoupment policy adopted by the Corporation from time to time, including provisions of the Officer Severance Policy, and provisions of the PG&E Corporation and Pacific Gas and Electric Company Executive Incentive Compensation Recoupment Policy, as last revised on February 19, 2019 and available on the PG&E@Work internet site for the Long-Term Incentive Plan (the policy and location may be changed from time to time by PG&E Corporation).

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of California.

PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD

PG&E CORPORATION, a California corporation, hereby grants Restricted Stock Units to the Recipient named below (sometimes referred to as “you”). The Restricted Stock Units have been granted under the PG&E Corporation 2021 Long-Term Incentive Plan, as amended (the “LTIP”). The terms and conditions of the Restricted Stock Units are set forth in this cover sheet and in the attached Restricted Stock Unit Agreement (the “Agreement”).

Date of Grant: <award_date>

Name of Recipient: <First_Name> <Last_Name>

Recipient’s Participant ID: <Emp_Id>

Number of Restricted Stock Units: <shares_awarded>

By accepting this award, you agree to all of the terms and conditions described in the attached Agreement. You and PG&E Corporation agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of the attached Agreement. You are also acknowledging receipt of this award, the attached Agreement, and a copy of the prospectus describing the LTIP and the Restricted Stock Units dated <date>.

Attachment

**PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN**

NON-ANNUAL RESTRICTED STOCK UNIT AGREEMENT

The LTIP and Other Agreements	This Agreement and the above cover sheet constitute the entire understanding between you and PG&E Corporation regarding the Restricted Stock Units, subject to the terms of the LTIP. Any prior agreements, commitments, or negotiations are superseded. In the event of any conflict or inconsistency between the provisions of this Agreement or the above cover sheet and the LTIP, the LTIP will govern. Capitalized terms that are not defined in this Agreement or the above cover sheet are defined in the LTIP. In the event of any conflict between the provisions of this Agreement or the above cover sheet and the PG&E Corporation 2012 Officer Severance Policy, this Agreement or the above cover sheet will govern, as applicable. For purposes of this Agreement, employment with PG&E Corporation means employment with any member of the Participating Company Group.
Grant of Restricted Stock Units	PG&E Corporation grants you the number of Restricted Stock Units shown on the cover sheet of this Agreement. The Restricted Stock Units are subject to the terms and conditions of this Agreement and the LTIP.
Vesting of Restricted Stock Units	<p>As long as you remain employed with PG&E Corporation, the total number of Restricted Stock Units originally subject to this Agreement, as shown on the cover sheet, will vest in accordance with the below vesting schedule (the “Normal Vesting Schedule”).</p> <p style="text-align:center"><vesting_schedule></p> <p>The amounts payable upon each vesting date are hereby designated separate payments for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (“Code”). Except as described below, all Restricted Stock Units subject to this Agreement which have not vested upon termination of your employment will then be cancelled. As set forth below, the Restricted Stock Units may vest earlier upon the occurrence of certain events.</p>
Dividends	Restricted Stock Units will accrue Dividend Equivalents in the event that cash dividends are paid with respect to PG&E Corporation common stock having a record date prior to the date on which the RSUs are settled. Such Dividend Equivalents will be converted into cash and paid, if at all, upon settlement of the underlying Restricted Stock Units.

Settlement	Vested Restricted Stock Units will be settled in an equal number of shares of PG&E Corporation common stock, subject to the satisfaction of Withholding Taxes, as described below. PG&E Corporation will issue shares as soon as practicable after the Restricted Stock Units vest in accordance with the Normal Vesting Schedule (but not later than sixty (60) days after the applicable vesting date) except as set forth elsewhere in this Agreement.
Voluntary Termination	In the event of your voluntary termination (other than Retirement), all unvested Restricted Stock Units will be cancelled on the date of termination.
Retirement	In the event of your Retirement, any unvested Restricted Stock Units that would have vested within the 12 months following such Retirement had your employment continued will continue to vest and be settled pursuant to the Normal Vesting Schedule (without regard to the requirement that you be employed), subject to the earlier settlement provisions of this Agreement; provided, however, that in the event of your Retirement within 2 years following a Change in Control, those Restricted Stock Units that would have vested within 12 months following such Retirement will be vested and settled as soon as practicable after (but not later than 60 days after) the date of such Retirement. All other unvested Restricted Stock Units will be cancelled. Your voluntary termination of employment will be considered Retirement if you are age 55 or older on the date of termination (other than termination for cause) and if you were employed by PG&E Corporation for at least five consecutive years ending on the date of termination of your employment.
Termination for Cause	If your employment with PG&E Corporation is terminated at any time by PG&E Corporation for cause, all unvested Restricted Stock Units will be cancelled on the date of termination. In general, termination for “cause” means termination of employment because of dishonesty, a criminal offense, or violation of a work rule, and will be determined by and in the sole discretion of PG&E Corporation. For the avoidance of doubt, you will not be eligible to retire if your employment is being or is terminated for cause.

Termination other than for Cause	If your employment with PG&E Corporation is terminated by PG&E Corporation other than for cause, any unvested Restricted Stock Units that would have vested within the 12 months following such termination had your employment continued will continue to vest and be settled pursuant to the Normal Vesting Schedule (without regard to the requirement that you be employed), subject to the earlier settlement provisions of this Agreement. All other unvested Restricted Stock Units will be cancelled unless your termination of employment was in connection with a Change in Control as provided below.
Death/Disability	In the event of your death or Disability (as defined in Code Section 409A) while you are employed, all of your Restricted Stock Units will vest and be settled as soon as practicable after (but not later than sixty (60) days after) the date of such event. If your death or Disability occurs following the termination of your employment and your Restricted Stock Units are then outstanding under the terms hereof, then all of your vested Restricted Stock Units plus any Restricted Stock Units that would have otherwise vested during any continued vesting period hereunder will be settled as soon as practicable after (but not later than sixty (60) days after) the date of your death or Disability.
Termination Due to Disposition of Subsidiary	If your employment is involuntarily terminated other than for cause (1) by reason of a divestiture or change in control of a subsidiary of PG&E Corporation for which you provide services, which divestiture or change in control results in such subsidiary no longer qualifying as a subsidiary corporation under Code Section 424(f), or (2) coincident with the sale of all or substantially all of the assets of a subsidiary of PG&E Corporation for which you provide services, then your Restricted Stock Units will vest and be settled in the same manner as for a "Termination other than for Cause" described above.

Change in Control

In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the “Acquiror”), may, without your consent, either assume or continue PG&E Corporation’s rights and obligations under this Agreement or provide a substantially equivalent award in substitution for the Restricted Stock Units subject to this Agreement.

If the Restricted Stock Units are neither so assumed nor so continued by the Acquiror, and the Acquiror does not provide a substantially equivalent award in substitution for the Restricted Stock Units, all of your unvested Restricted Stock Units will vest immediately preceding and contingent on, the Change in Control and be settled as soon as practicable following the date of the Change in Control.

Termination In Connection with a Change in Control

If you separate from service (other than termination for cause, your voluntary termination, or your Retirement) within three months before the Change in Control occurs, all of your outstanding Restricted Stock Units (including Restricted Stock Units that you would have otherwise forfeited after the end of the continued vesting period) will vest on the date of the Change in Control and will be settled as soon as practicable following the date of such separation from service, taking into account any acceleration on account of termination or a change in control.

In the event of such a separation within two years following the Change in Control, your Restricted Stock Units (to the extent they did not previously vest upon, for example, failure of the Acquiror to assume or continue this award) will vest on the date of such separation and will be settled as soon as practicable after (but not later than sixty (60) days after) the date of such separation.

Delay

PG&E Corporation will delay the issuance of any shares of common stock to the extent it is necessary to comply with Code Section 409A(a)(2)(B)(i) (relating to payments made to certain “key employees” of certain publicly-traded companies); in such event, any shares of common stock to which you would otherwise be entitled during the six (6) month period following the date of your “separation from service” under Section 409A (or shorter period ending on the date of your death following such separation) will instead be issued on the first business day following the expiration of the applicable delay period.

Withholding Taxes

The number of shares of PG&E Corporation common stock that you are otherwise entitled to receive upon settlement of Restricted Stock Units will be reduced by a number of shares having an aggregate Fair Market Value, as determined by PG&E Corporation, equal to the amount of any Federal, state, or local taxes of any kind required by law to be withheld by PG&E Corporation in connection with the Restricted Stock Units determined using a rate not exceeding the maximum applicable withholding rates, including social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax ("Withholding Taxes"). If the withheld shares were not sufficient to satisfy your Withholding Taxes, you will be required to pay, as soon as practicable, including through additional payroll withholding, any amount of the Withholding Taxes that is not satisfied by the withholding of shares described above.

Leaves of Absence

For purposes of this Agreement, if you are on an approved leave of absence from PG&E Corporation, or a recipient of PG&E Corporation sponsored disability benefits, you will continue to be considered as employed. If you do not return to active employment upon the expiration of your leave of absence or the expiration of your PG&E Corporation sponsored disability benefits, you will be considered to have voluntarily terminated your employment. See above under "Voluntary Termination."

Notwithstanding the foregoing, if the leave of absence exceeds six (6) months, and a return to service upon expiration of such leave is not guaranteed by statute or contract, then you will be deemed to have had a "separation from service" for purposes of any Restricted Stock Units that are settled hereunder upon such separation. To the extent an authorized leave of absence is due to a medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of at least six (6) months and such impairment causes you to be unable to perform the duties of your position of employment or any substantially similar position of employment, the six (6) month period in the prior sentence will be twenty-nine (29) months.

PG&E Corporation reserves the right to determine which leaves of absence will be considered as continuing employment and when your employment terminates for all purposes under this Agreement.

Voting and Other Rights

You will not have voting rights with respect to the Restricted Stock Units until the date the underlying shares are issued (as evidenced by appropriate entry on the books of PG&E Corporation or its duly authorized transfer agent). No Restricted Stock Units and no shares of Stock that have not been issued hereunder may be sold, assigned, transferred, pledged, or otherwise encumbered, other than by will or the laws of decent and distribution, and the Restricted Stock Units may be exercised during the life of the Recipient only by the Recipient or the Recipient's guardian or legal representative.

No Retention Rights

This Agreement is not an employment agreement and does not give you the right to be retained by PG&E Corporation. Except as otherwise provided in an applicable employment agreement, PG&E Corporation reserves the right to terminate your employment at any time and for any reason.

Recoupment of Awards

Awards are subject to recoupment in accordance with any applicable law and any recoupment policy adopted by the Corporation from time to time, including provisions of the Officer Severance Policy, and provisions of the PG&E Corporation and Pacific Gas and Electric Company Executive Incentive Compensation Recoupment Policy, as last revised on February 19, 2019 and available on the PG&E@Work internet site for the Long-Term Incentive Plan (the policy and location may be changed from time to time by PG&E Corporation).

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of California.

**PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN**

PERFORMANCE SHARE UNIT AWARD

PG&E CORPORATION, a California corporation, hereby grants performance share units to the Recipient named below (sometimes referred to as “you”). The performance share units have been granted under the PG&E Corporation 2021 Long-Term Incentive Plan, as amended (the “LTIP”). The terms and conditions of the performance share units are set forth in this cover sheet and the attached Performance Share Unit Agreement (the “Agreement”).

Date of Grant: <Award Date>

Name of Recipient: <First_Name> <Last_Name>

Recipient’s Participant ID: <Emp_Id>

Number of Performance Share Units: <shares_awarded>

By accepting this award, you agree to all of the terms and conditions described in the attached Agreement. You and PG&E Corporation agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of the attached Agreement. You are also acknowledging receipt of this award, the attached Agreement, and a copy of the prospectus describing the LTIP and the performance share units, dated <date>.

Attachment

**PG&E CORPORATION
2021 LONG-TERM INCENTIVE PLAN**

PERFORMANCE SHARE UNIT AGREEMENT

The LTIP and Other Agreements

This Agreement and the above cover sheet constitute the entire understanding between you and PG&E Corporation regarding the performance share units, subject to the terms of the LTIP. Any prior agreements, commitments or negotiations are superseded. In the event of any conflict or inconsistency between the provisions of this Agreement or the above cover sheet and the LTIP, the LTIP will govern. Capitalized terms that are not defined in this Agreement or the above cover sheet are defined in the LTIP. In the event of any conflict between the provisions of this Agreement or the above cover sheet and the PG&E Corporation 2012 Officer Severance Policy, this Agreement or the above cover sheet will govern, as applicable. The LTIP provides the Committee with sole discretion to adjust the performance award formula, including adjustments to performance measures or targets that may make attainment of target pay easier or more difficult to attain. For purposes of this Agreement, employment with PG&E Corporation means employment with any member of the Participating Company Group.

Grant of Performance Shares

PG&E Corporation grants you the number of performance share units shown on the cover sheet of this Agreement (the "Performance Shares"). The Performance Shares are subject to the terms and conditions of this Agreement and the LTIP.

Vesting of Performance Shares

.As long as you remain employed with PG&E Corporation, the Performance Shares will vest upon [the third anniversary of the Date of Grant specified on the cover sheet/<vesting date>], in all cases subject to any requirements that awards be held for at least three years following the Date of Grant. Except as described below, all Performance Shares that have not vested will be cancelled upon termination of your employment.

Settlement in Shares/Performance Goals

Vested Performance Shares will be settled in shares of PG&E Corporation common stock, subject to the satisfaction of Withholding Taxes, as described below. The number of shares you are entitled to receive will be calculated by multiplying the number of vested Performance Shares by the "payout percentage" determined as follows during the three-year performance period from <date> through <date> ("Performance Period") (except as set forth elsewhere in this Agreement), rounded to the nearest whole number.

The Performance Shares have <description of performance goals (measures, targets, including percent allocation between measure categories)> (as described in Exhibit A).

Subject to rounding considerations, for each measure, if performance is below threshold, the payout percentage will be 0%; if performance is at threshold, the payout percentage will be 50%; if performance is at target, the payout percentage will be 100%; and if performance is at or better than maximum, the payout percentage will be 200%. The actual payout percentage for performance between threshold and maximum will be determined based on linear interpolation between the payout percentages for threshold and target, or target and maximum, as appropriate.

Notwithstanding the foregoing, the final payout will be determined in the discretion of the Committee, including any decision to reduce or forego payment entirely. As part of exercising such discretion, the Committee will take into consideration, without limitation, public, employee, and contractor safety performance.

Notwithstanding the foregoing, the final payout percentage, if any, will be determined as soon as practicable following the date that the Committee determines the extent to which the performance goal has been attained. PG&E Corporation will issue shares as soon as practicable after such determination, but no earlier than the Vesting Date, and not later than sixty (60) days after the Vesting Date.

Dividends

Each time that PG&E Corporation declares a dividend on its shares of common stock, an amount equal to the dividend multiplied by the number of Performance Shares granted to you by this Agreement will be accrued on your behalf. If you receive a Performance Share settlement in accordance with the preceding section, at that same time you also will receive a cash payment equal to the amount of any dividends accrued with respect to your Performance Shares multiplied by the same payout percentage used to determine the number of shares you are entitled to receive, if any.

Voluntary Termination

If you terminate your employment with PG&E Corporation voluntarily before the Vesting Date (other than for Retirement), all of the Performance Shares will be cancelled as of the date of such termination and any dividends accrued with respect to your Performance Shares will be forfeited.

Termination for Cause

If your employment with PG&E Corporation is terminated at any time by PG&E Corporation for cause before the Vesting Date, all of the Performance Shares will be cancelled as of the date of such termination and any dividends accrued with respect to your Performance Shares will be forfeited. In general, termination for “cause” means termination of employment because of dishonesty, a criminal offense, or violation of a work rule, and will be determined by and in the sole discretion of PG&E Corporation. For the avoidance of doubt, you will not be eligible to retire if your employment is being or is terminated for cause.

Termination other than for Cause

If your employment with PG&E Corporation is terminated by PG&E Corporation other than for cause before the Vesting Date, a portion of your outstanding Performance Shares will vest proportionally based on the number of months during the Performance Period that you were employed (rounded down) divided by the number of months in the Performance Period (36 months). All other outstanding Performance Shares will be cancelled, and any associated accrued dividends will be forfeited, unless your termination of employment was in connection with a Change in Control as provided below. Your vested Performance Shares will be settled, if at all, as soon as practicable after the Vesting Date, and in any event within sixty (60) days of the Vesting Date, based on the same payout percentage applied to active employees. At that time you also will receive a cash payment, if any, equal to the amount of dividends accrued over the Performance Period with respect to your vested Performance Shares multiplied by the same payout percentage used to determine the number of shares you are entitled to receive, if any.

Retirement

If you retire before the Vesting Date, a portion of your outstanding Performance Shares will vest proportionally based on the number of months during the Performance Period that you were employed (rounded down) divided by the number of months in the Performance Period (36 months). All other outstanding Performance Shares will be cancelled, and any associated accrued dividends will be forfeited. Your vested Performance Shares will be settled, if at all, as soon as practicable after the Vesting Date, and in any event within sixty (60) days of the Vesting Date, based on the same payout percentage applied to active employees. At that time you also will receive a cash payment, if any, equal to the amount of dividends accrued over the Performance Period with respect to your vested Performance Shares multiplied by the same payout percentage used to determine the number of shares you are entitled to receive, if any. Your voluntary termination of employment will be considered a Retirement if you are age 55 or older on the date of termination and if you were employed by PG&E Corporation for at least five consecutive years ending on the date of termination of your employment.

Death/Disability

If your employment terminates due to your death or Disability (as defined in Code Section 409A) before the Vesting Date, all of your Performance Shares will immediately vest in full as to the service requirement. Upon termination due to death prior to the Vesting Date, vested Performance Shares will be settled as soon as practicable, assuming target performance. Upon termination due to disability prior to the Vesting Date, Performance Shares will be settled, if at all, as soon as practicable after the Vesting Date, and in any event within sixty (60) days of the Vesting Date, based on the same payout percentage applied to active employees. At the time of settlement you also will receive a cash payment, if any, equal to the amount of dividends accrued over the Performance Period with respect to your Performance Shares multiplied by the same payout percentage used to determine the number of shares you are entitled to receive, if any.

**Termination Due to Disposition of
Subsidiary**

If your employment is involuntarily terminated (other than for cause) (1) by reason of a divestiture or change in control of a subsidiary of PG&E Corporation for which you provide services, which divestiture or change in control results in such subsidiary no longer qualifying as a subsidiary corporation under Section 424(f) of the Internal Revenue Code of 1986, as amended, or (2) coincident with the sale of all or substantially all of the assets of a subsidiary of PG&E Corporation for which you provide services, then your outstanding Performance Shares will vest and be settled in the same manner as for a “Termination other than for Cause” described above.

Change in Control

In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the “Acquiror”), may, without your consent, either assume or continue PG&E Corporation’s rights and obligations under this Agreement or provide a substantially equivalent award in substitution for the Performance Shares subject to this Agreement.

If the Acquiror assumes or continues PG&E Corporation’s rights and obligations under this Agreement or substitutes a substantially equivalent award, Performance Shares will vest in full (not on a pro-rata basis) on the Vesting Date, provided you have remained continuously employed with the Acquiror or an affiliate thereof through such date, and settlement will occur as soon as practicable after the Vesting Date, and in any event within sixty (60) days of the Vesting Date. At that time you also will receive a cash payment, if any, equal to the amount of dividends accrued with respect to your Performance Shares over the Performance Period multiplied by the same overall payout percentage used to determine the number of shares you are entitled to receive, if any. Performance for all measures will be deemed to have been achieved at target, resulting in a payout percentage of 100%.

If the Change in Control of PG&E Corporation occurs before the Vesting Date, and if this award is neither assumed nor continued by the Acquiror or if the Acquiror does not provide a substantially equivalent award in substitution for the Performance Shares subject to this Agreement, all of your outstanding Performance Shares will vest in full (and not pro-rata) and become nonforfeitable on the date of the Change in Control. Such vested Performance Shares will be settled as soon as practicable following the date of the Change in Control. At that time you also will receive a cash payment, if any, equal to the amount of dividends accrued with respect to your Performance Shares to the date of the Change in Control multiplied by the same overall payout percentage used to determine the number of shares you are entitled to receive, if any. Performance for all measures will be deemed to have been achieved at target and the payout percentage will be 100%.

Termination In Connection with a Change in Control

If your employment is terminated by PG&E Corporation other than for cause within two years following the Change in Control, all of your outstanding Performance Shares (to the extent they did not previously vest upon failure of the Acquiror to assume or continue this award) will vest in full (and not pro-rata) and become nonforfeitable on the date of termination of your employment.

If your employment is terminated by PG&E Corporation other than for cause within three months before a Change in Control occurs, all of your outstanding Performance Shares will vest in full (and not pro-rata) and become nonforfeitable (including the portion that you would have otherwise forfeited based on the proration of vested Performance Shares through the date of termination of your employment) as of the date of termination of your employment.

Such vested Performance Shares will be settled as soon as practicable following your termination, taking into account any acceleration on account of termination or a Change in Control. At that time you also will receive a cash payment, if any, equal to the amount of dividends accrued with respect to your vested Performance Shares multiplied by the same overall payout percentage used to determine the number of shares you are entitled to receive, if any. Performance for all measures will be deemed to have been achieved at target and the payout percentage will be 100%.

Withholding Taxes

The number of shares of PG&E Corporation common stock that you are otherwise entitled to receive upon settlement of your Performance Shares will be reduced by a number of shares having an aggregate Fair Market Value, as determined by PG&E Corporation, equal to the amount of any Federal, state, or local taxes of any kind required by law to be withheld by PG&E Corporation in connection with the Performance Shares determined using a rate not exceeding the maximum applicable withholding rates, including social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax ("Withholding Taxes"). If the withheld shares were not sufficient to satisfy your Withholding Taxes, you will be required to pay, as soon as practicable, including through additional payroll withholding, any amount of the Withholding Taxes that is not satisfied by the withholding of shares described above.

Leaves of Absence

For purposes of this Agreement, if you are on an approved leave of absence from PG&E Corporation, or a recipient of PG&E Corporation sponsored disability benefits, you will continue to be considered as employed. If you do not return to active employment upon the expiration of your leave of absence or the expiration of your PG&E Corporation sponsored disability benefits, you will be considered to have voluntarily terminated your employment. See above under “Voluntary Termination.”

PG&E Corporation reserves the right to determine which leaves of absence will be considered as continuing employment and when your employment terminates for all purposes under this Agreement.

No Retention Rights

This Agreement is not an employment agreement and does not give you the right to be retained by PG&E Corporation. Except as otherwise provided in an applicable employment agreement, PG&E Corporation reserves the right to terminate your employment at any time and for any reason.

Recoupment of Awards

Awards are subject to recoupment in accordance with any applicable legal requirement and any recoupment policy adopted by the Corporation from time to time, including provisions of the Officer Severance Policy, and provisions of the PG&E Corporation and Pacific Gas and Electric Company Executive Incentive Compensation Recoupment Policy, as last revised on February 19, 2019 and available on the PG&E@Work intranet site for the Long-Term Incentive Plan (the policy and location may be changed from time to time by PG&E Corporation).

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of California.

Exhibit A

<description of performance goals>

AMENDMENT TO

2014 PG&E CORPORATION LONG TERM INCENTIVE PLAN AWARD AGREEMENTS

All outstanding award agreements (the “Agreements”) under the 2014 PG&E Corporation Long Term Incentive Plan and the 2021 PG&E Corporation Long Term Incentive Plan (the “Plans”) that provide for settlement in shares of common stock (“Stock”) of PG&E Corporation (the “Corporation”), including the outstanding Restricted Stock Unit Agreements and Performance Share Unit Agreements under the Plans, be and they hereby are, amended as described below, effective with respect to such portion of the award as may vests on or after the later of (i) the date on which PG&E Corporation approves this amendment or (ii) the date on which the applicable award recipient (the “Participant”) consents to such amendment:

1. Notwithstanding anything to the contrary in the Agreements, the Corporation may withhold shares of Stock or otherwise account for the tax obligations of the Corporation or any of its affiliates with respect to the grant of shares of Stock by considering applicable minimum statutory withholding rates or other applicable withholding rates, including the maximum withholding rates applicable to the Participant, taking into account any social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax.

IN WITNESS WHEREOF, PG&E Corporation has caused this Amendment to be executed by its Executive Vice President, People, Shared Services and Supply Chain, on August 14, 2022.

PG&E CORPORATION

By /s/ JULIUS COX
Julius Cox

Executive Vice President – People, Shared Services and Supply Chain

CONSENT TO AMEND AWARD AGREEMENT

This Consent to the amendment of outstanding award agreements under the 2014 PG&E Corporation Long Term Incentive Plan and/or 2021 PG&E Corporation Long Term Incentive Plan (this “**Consent**”) is entered into by and between PG&E Corporation (the “**Corporation**”) and John R. Simon (the “**Participant**”) on August 14, 2022.

WHEREAS, the Corporation has granted Restricted Stock Units (“**RSUs**”) and Performance Share Units (as such terms are defined in the Plan) (“**PSUs**”) (collectively, the “**Awards**”) to Participant, a portion of which Awards remain unvested;

WHEREAS, upon the grant of each RSU to Participant, the Corporation entered into a Restricted Unit Agreement with Participant, and upon the grant of each PSU to Participant, the Corporation entered a Performance Share Agreement with Participant (collectively, the “**Agreements**”);

WHEREAS, the Corporation desires to amend the Agreements to take advantage of changes in accounting rules that grant companies flexibility to apply withholding rates to the Awards that are more consistent with Participant’s ultimate income tax obligations than the generally applicable withholding rates for supplemental wages; and

WHEREAS, in order to apply an alternative withholding rate to outstanding but unvested Awards, Participant must affirmatively consent to amend the Agreements;

NOW, THEREFORE, Participant and the Corporation, intending to be legally bound, hereby agree as follows:

1. The Agreements be, and they hereby are, amended substantially in the form attached hereto as Exhibit A.
2. This Consent may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PARTICIPANT

By: /s/ JOHN R. SIMON

Name: John R. Simon

PG&E CORPORATION

By: /s/ JULIUS COX

Name: Julius Cox

Title: Executive Vice President, People, Shared Services and Supply Chain

EXHIBIT A

FORM OF LTIP AWARD AGREEMENT AMENDMENT LANGUAGE

Withholding Taxes

The number of shares of PG&E Corporation common stock that you are otherwise entitled to receive upon settlement of your [Restricted Stock Units/Performance Shares] will be reduced by a number of shares having an aggregate Fair Market Value, as determined by PG&E Corporation, equal to the amount of any Federal, state, or local taxes of any kind required by law to be withheld by PG&E Corporation in connection with the [Restricted Stock Units/Performance Shares] determined using a rate not exceeding the maximum applicable minimum statutory withholding rates, including social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax ("Withholding Taxes"). If the withheld shares were not sufficient to satisfy your minimum Withholding Taxes, you will be required to pay, as soon as practicable, including through additional payroll withholding, any amount of the Withholding Taxes that is not satisfied by the withholding of shares described above.

AMENDMENT TO
2014 PG&E CORPORATION LONG TERM INCENTIVE PLAN AWARD AGREEMENT

The Non-Annual Restricted Stock Unit Award Agreement dated March 1, 2021 (the “Agreement”) between Patricia K. Poppe (the “Participant”) and PG&E Corporation (the “Corporation”) under the 2014 PG&E Corporation Long Term Incentive Plan (the “Plan”) that provides for settlement in shares of common stock (“Stock”) of the Corporation, is hereby amended as described below, effective as of the date on which the Participant consents to such amendment, with respect to such portion of the award as may vest or has vested on or after January 1, 2022:

1. Notwithstanding anything to the contrary in the Agreement, the Corporation may withhold shares of Stock or otherwise account for the tax obligations of the Corporation or any of its affiliates with respect to the grant of shares of Stock by considering applicable withholding rates, including the maximum applicable statutory withholding rates, taking into account any social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax.
2. With respect to that portion of the award under the Agreement that vested in January, 2022, the Corporation shall re-calculate the applicable California state withholding obligations taking into account the maximum state statutory withholding rate, and the undersigned Participant hereby authorizes and directs the Corporation and its agents and representatives to take such actions as may be necessary to transfer such additional number of Participant’s shares held directly or indirectly in brokerage accounts as may be necessary to satisfy such state withholding obligations as directed, and remit payment of additional state withholdings equal to the fair value of the transferred shares to the applicable authorities. The undersigned acknowledges that the Corporation shall determine the fair value of any transferred shares based on the closing price of a share of PG&E Corporation common stock on September 15, 2022, which was the date such amendment to the Agreement was approved by the PG&E Corporation Board of Directors.
3. This amendment to the Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this amendment effective as of the date set forth below.

PG&E CORPORATION

By /s/ JULIUS COX
Julius Cox
Executive Vice President – People, Shared Services and Supply Chain

PARTICIPANT

/s/ PATRICIA K. POPPE

Patricia K. Poppe

Date: 9/22/22

**PG&E CORPORATION
2014 LONG-TERM INCENTIVE PLAN**

NON-ANNUAL RESTRICTED STOCK UNIT AWARD

PG&E CORPORATION, a California corporation, hereby grants Restricted Stock Units to the Recipient named below (sometimes referred to as “you”). The Restricted Stock Units have been granted under the PG&E Corporation 2014 Long-Term Incentive Plan, as amended (the “LTIP”). The terms and conditions of the Restricted Stock Units are set forth in this cover sheet and in the attached Restricted Stock Unit Agreement (the “Agreement”).

Date of Grant: March 1, 2021

Name of Recipient: Patricia K. Poppe

Recipient’s Participant ID: XXXXXX

Number of Restricted Stock Units: 2,910,205

By accepting this award, you agree to all of the terms and conditions described in the attached Agreement. You and PG&E Corporation agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of the attached Agreement. You are also acknowledging receipt of this award, the attached Agreement, and a copy of the prospectus describing the LTIP and the Restricted Stock Units dated March 2021.

If, for any reason, you wish to not accept this award, please notify PG&E Corporation in writing within 30 calendar days of the date of this award at ATTN: LTIP Administrator, Pacific Gas and Electric Company, 245 Market Street, N2T, San Francisco, 94105.

**PG&E CORPORATION
2014 LONG-TERM INCENTIVE PLAN**

NON-ANNUAL RESTRICTED STOCK UNIT AGREEMENT

**The LTIP and Other
Agreements**

This Agreement and the above cover sheet constitute the entire understanding between you and PG&E Corporation regarding the Restricted Stock Units, subject to the terms of the LTIP. Any prior agreements, commitments, or negotiations are superseded. In the event of any conflict or inconsistency between the provisions of this Agreement or the above cover sheet and the LTIP, the LTIP will govern. Capitalized terms that are not defined in this Agreement or the above cover sheet are defined in the LTIP. In the event of any conflict between the provisions of this Agreement or the above cover sheet and the PG&E Corporation 2012 Officer Severance Policy, this Agreement or the above cover sheet will govern, as applicable. For purposes of this Agreement, employment with PG&E Corporation means employment with any member of the Participating Company Group.

**Grant of Restricted Stock
Units**

PG&E Corporation grants you the number of Restricted Stock Units shown on the cover sheet of this Agreement. The Restricted Stock Units are subject to the terms and conditions of this Agreement and the LTIP.

**Vesting of Restricted
Stock Units**

As long as you remain employed with PG&E Corporation, the total number of Restricted Stock Units originally subject to this Agreement, as shown on the cover sheet, will vest in accordance with the below vesting schedule (the "Normal Vesting Schedule").

1,455,102 on January 4, 2022

1,455,103 on January 4, 2023

The amounts payable upon each vesting date are hereby designated separate payments for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (“Code”). Except as described below, all Restricted Stock Units subject to this Agreement which have not vested upon termination of your employment will then be cancelled. As set forth below, the Restricted Stock Units may vest earlier upon the occurrence of certain events.

Dividends

Restricted Stock Units will accrue Dividend Equivalents in the event that cash dividends are paid with respect to PG&E Corporation common stock having a record date prior to the date on which the RSUs are settled. Such Dividend Equivalents will be converted into cash and paid, if at all, upon settlement of the underlying Restricted Stock Units.

Settlement

Vested Restricted Stock Units will be settled in an equal number of shares of PG&E Corporation common stock, subject to the satisfaction of Withholding Taxes, as described below. PG&E Corporation will issue shares as soon as practicable after the Restricted Stock Units vest in accordance with the Normal Vesting Schedule (but not later than sixty (60) days after the applicable vesting date); provided, however, that such issuance will, if earlier, be made with respect to all of your outstanding vested Restricted Stock Units (after giving effect to the vesting provisions described below) as soon as practicable after (but not later than sixty (60) days after) the earliest to occur of your (i) “Disability” (within the meaning of Code Section 409A), (ii) death, or (iii) “separation from service” (within the meaning of Code Section 409A).

Voluntary Termination

In the event of your voluntary termination, all unvested Restricted Stock Units will be cancelled on the date of termination.

Termination for Cause

If your employment with PG&E Corporation is terminated at any time by PG&E Corporation for “Cause,” all unvested Restricted Stock Units will be cancelled on the date of termination. For purposes of this award, “Cause” shall have the meaning set forth in the PG&E Corporation 2012 Officer Severance Policy, as in effect on the date hereof.

**Termination other than
for Cause**

If your employment with PG&E Corporation is terminated by PG&E Corporation other than for Cause, all unvested Restricted Stock Units, will vest and be settled as soon as practicable after (but not later than sixty (60) days after) the date of your termination of employment, subject to the execution and non-revocation of a general release of claims by you or your estate under the PG&E Corporation 2012 Officer Severance Policy.

Death/Disability

In the event of your death or Disability (as defined in Code Section 409A) while you are employed, all of your Restricted Stock Units will vest and be settled as soon as practicable after (but not later than sixty (60) days after) the date of such event, subject to the execution and non-revocation of a general release of claims by you or your estate under the PG&E Corporation 2012 Officer Severance Policy.

Change in Control

In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "Acquiror"), may, without your consent, either assume or continue PG&E Corporation's rights and obligations under this Agreement or provide a substantially equivalent award in substitution for the Restricted Stock Units subject to this Agreement.

If the Restricted Stock Units are neither so assumed nor so continued by the Acquiror, and the Acquiror does not provide a substantially equivalent award in substitution for the Restricted Stock Units, all of your unvested Restricted Stock Units will vest immediately preceding and contingent on, the Change in Control and be settled in accordance with the Normal Vesting Schedule, subject to the earlier settlement provisions of this Agreement.

Withholding Taxes

The number of shares of PG&E Corporation common stock that you are otherwise entitled to receive upon settlement of Restricted Stock Units will be reduced by a number of shares having an aggregate Fair Market Value, as determined by PG&E Corporation, equal to the amount of any Federal, state, or local taxes of any kind required by law to be withheld by PG&E Corporation in connection with the Restricted Stock Units determined using the applicable minimum statutory withholding rates, including social security and Medicare taxes due under the Federal Insurance Contributions Act and the California State Disability Insurance tax ("Withholding Taxes"). If the withheld shares were not sufficient to satisfy your minimum Withholding Taxes, you will be required to pay, as soon as practicable, including through additional payroll withholding, any amount of the Withholding Taxes that is not satisfied by the withholding of shares described above.

Leaves of Absence

For purposes of this Agreement, if you are on an approved leave of absence from PG&E Corporation, or a recipient of PG&E Corporation sponsored disability benefits, you will continue to be considered as employed. If you do not return to active employment upon the expiration of your leave of absence or the expiration of your PG&E Corporation sponsored disability benefits, you will be considered to have voluntarily terminated your employment. See above under "Voluntary Termination."

Notwithstanding the foregoing, if the leave of absence exceeds six (6) months, and a return to service upon expiration of such leave is not guaranteed by statute or contract, then you will be deemed to have had a "separation from service" for purposes of any Restricted Stock Units that are settled hereunder upon such separation. To the extent an authorized leave of absence is due to a medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of at least six (6) months and such impairment causes you to be unable to perform the duties of your position of employment or any substantially similar position of employment, the six (6) month period in the prior sentence will be twenty-nine (29) months.

PG&E Corporation reserves the right to determine which leaves of absence will be considered as continuing employment and when your employment terminates for all purposes under this Agreement.

Voting and Other Rights

You will not have voting rights with respect to the Restricted Stock Units until the date the underlying shares are issued (as evidenced by appropriate entry on the books of PG&E Corporation or its duly authorized transfer agent). No Restricted Stock Units and no shares of Stock that have not been issued hereunder may be sold, assigned, transferred, pledged, or otherwise encumbered, other than by will or the laws of decent and distribution, and the Restricted Stock Units may be exercised during the life of the Recipient only by the Recipient or the Recipient's guardian or legal representative.

No Retention Rights

This Agreement is not an employment agreement and does not give you the right to be retained by PG&E Corporation. Except as otherwise provided in an applicable employment agreement, PG&E Corporation reserves the right to terminate your employment at any time and for any reason.

Recoupment of Awards

Awards are subject to recoupment in accordance with any applicable law and any recoupment policy adopted by the Corporation from time to time, including the PG&E Corporation and Pacific Gas and Electric Company Executive Incentive Compensation Recoupment Policy, as last revised on February 19, 2019 and available on the PG&E@Work internet site for the Long-Term Incentive Plan (the policy and location may be changed from time to time by PG&E Corporation); provided, however, that this award shall only be subject to recoupment to the extent the events giving rise to such recoupment occurred on or after the commencement of your employment with PG&E Corporation.

Change in Capital Structure

In the event of a change in the capital structure of the Corporation, this award and the shares of Stock subject to this award shall be subject to adjustment as set forth in Section 4.2 of the LTIP.

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of California.

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, Patricia K. Poppe, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of PG&E Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ PATRICIA K. POPPE

Patricia K. Poppe

Chief Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, Christopher A. Foster, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of PG&E Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ CHRISTOPHER A. FOSTER

Christopher A. Foster

Executive Vice President and Chief Financial Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, Adam L. Wright, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of Pacific Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ ADAM L. WRIGHT

Adam L. Wright

Executive Vice President, Operations and Chief Operating Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, Marlene M. Santos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of Pacific Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ MARLENE M. SANTOS

Marlene M. Santos

Executive Vice President and Chief Customer Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, Jason M. Glickman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of Pacific Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ JASON M. GLICKMAN

Jason M. Glickman

Executive Vice President, Engineering, Planning, and Strategy

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)

I, David S. Thomason, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of Pacific Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2022

/s/ DAVID S. THOMASON

David S. Thomason

Vice President, Chief Financial Officer and Controller

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of PG&E Corporation for the quarter ended September 30, 2022 ("Form 10-Q"), I, Patricia K. Poppe, Chief Executive Officer of PG&E Corporation, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of PG&E Corporation.

/s/ PATRICIA K. POPPE

Patricia K. Poppe

Chief Executive Officer

October 27, 2022

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of PG&E Corporation for the quarter ended September 30, 2022 ("Form 10-Q"), I, Christopher A. Foster, Executive Vice President and Chief Financial Officer of PG&E Corporation, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of PG&E Corporation.

/s/ CHRISTOPHER A. FOSTER

Christopher A. Foster
Executive Vice President and Chief Financial Officer

October 27, 2022

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of Pacific Gas and Electric Company for the quarter ended September 30, 2022 (“Form 10-Q”), I, Adam L. Wright, Executive Vice President, Operations and Chief Operating Officer of Pacific Gas and Electric Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pacific Gas and Electric Company.

/s/ ADAM L. WRIGHT

Adam L. Wright

Executive Vice President, Operations and Chief Operating Officer

October 27, 2022

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of Pacific Gas and Electric Company for the quarter ended September 30, 2022 ("Form 10-Q"), I, Marlene M. Santos, Executive Vice President and Chief Customer Officer of Pacific Gas and Electric Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pacific Gas and Electric Company.

/s/ MARLENE M. SANTOS

Marlene M. Santos

Executive Vice President and Chief Customer Officer

October 27, 2022

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of Pacific Gas and Electric Company for the quarter ended September 30, 2022 (“Form 10-Q”), I, Jason M. Glickman, Executive Vice President, Engineering, Planning, and Strategy of Pacific Gas and Electric Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pacific Gas and Electric Company.

/s/ JASON M. GLICKMAN

Jason M. Glickman

Executive Vice President, Engineering, Planning, and Strategy

October 27, 2022

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the accompanying Quarterly Report on Form 10-Q of Pacific Gas and Electric Company for the quarter ended September 30, 2022 (“Form 10-Q”), I, David S. Thomason, Vice President, Chief Financial Officer and Controller of Pacific Gas and Electric Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief, that:

- (1) the Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pacific Gas and Electric Company.

/s/ DAVID S. THOMASON

David S. Thomason

Vice President, Chief Financial Officer and Controller

October 27, 2022