2021 LTIP Metric Summaries

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	I. DETAILS	
1.	**Metric name**	**Customer Satisfaction Score (CSS)**
2.	**Risk impacted**	Business Model
3.	**Definition**	Customer satisfaction as measured by a quarterly survey conducted by a third party retained by PG&E. The score is based on customer responses to a single overall question: "How would you rate the products and/or services offered by PG&E?"
4.	**Units and calculation**	Customers rate PG&E, on a quarterly basis, on a scale of 1 to 10, with 1 meaning "extremely dissatisfied" and 10 meaning "extremely satisfied." Responses are weighted, at the case level, 60% for residential customers and 40% for small and medium business customers. The quarterly score is calculated as the mean of the customer responses during the quarter, multiplied by 10 and rounded to one decimal (e.g. a mean score of 7.561 would be multiplied by 10 and then rounded to one decimal to become 75.6.) The final metric score is the Full Year (FY) score for 2021.
5.	**Measurement system / reporting process**	CSS is measured through an ongoing quarterly survey administered by a third party on behalf of PG&E. Results are collected online and by telephone.
6.	**Exclusions and exceptions**	• PG&E employees • Customers on the "do not contact" list • In the event of tragedies such as the Camp Fire, the San Bruno explosion, or a city evacuation, the research vendor may suppress surveys to the impacted customers until normal PG&E services are resumed or a reasonable recovery period is observed.
7.	**Benchmarking** (External benchmarks or internal performance)	Not currently benchmarked externally.
8.	**Related KPIs (e.g. leading indicators)**	None

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II. HISTORICAL AND PROJECTED PERFORMANCE					
	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
2017	75.6		N/A		
2018	77.3				
2019	72.6				
2020	70.0 (EST)				
2021					
2022					
2023					

III. TARGETS					
1. Targets	Score	2021	2022	2023	2021-2023
	0.5	71.4	72.8	74.3	74.3
	1.0	72.1	74.3	76.6	76.6
	1.5	72.8	75.8	78.9	78.9
2. Target type	☒ Higher is better ☐ Range: ☐ Lower is better				
3. Target-setting methodology	• Threshold is a 2.0% annual improvement over 3 years above FY 2020 performance (TBD); this translates to an 6.2% total improvement • Target is a 3.0% annual improvement over FY 2020 performance, or 9.4% total improvement. • Maximum is a 4.0% annual improvement over FY 2020 performance, or 12.7% total improvement.				
4. Definitions of key terms	Term	Definition		Source	
5. Supporting documents	• PG&E CSS Summary PowerPoint slide with quarterly and YTD results (CSS Q3 2020 Summary) • CSS Excel report with quarterly and YTD results (CSS Scores Q3 2020) • Quarterly email from Customer Care with the results and attachments distributed internally each quarter.				

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IV. OWNERSHIP				
1. Contacts	Type	Name (LAN ID)	Title	Phone
	Preparer	███████████	Senior Director, Customer Experience & Regulatory Strategy	██████
	Backup	███████████	Manager, Customer Experience & Insights	
	Escalation	███████████	Director, Business Operations	

2. Approvers (final approver must be SVP or equivalent)	Name (LAN ID)	Title
	███████████	Senior Vice President, Customer Care & Chief Customer Officer

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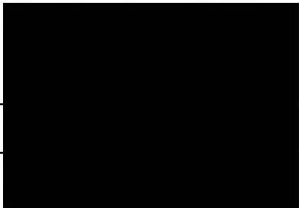
I. DETAILS		
1.	**Metric name**	**Public Safety Power Shutoff (PSPS) Notification Accuracy**
2.	**Risk impacted**	Wildfire
3.	**Definition**	The percentage of PG&E Customers affected by PSPS who receive notifications in advance of a PSPS outage. PSPS events affect electric service, for purposes of this metric only those customers holding electric accounts with PG&E are included.
4.	**Units and calculation**	The number of PG&E PSPS-affected customers who receive notifications in advance of PSPS outages, divided by the total number of PSPS-affected customers. The final metric score is the total aggregated of all events across the performance period. The PSPS Notification score will be calculated across all PSPS events for the time period under evaluation; in the case of no PSPS events, the index score will be entirely comprised of the Customer Satisfaction Score. The score is calculated by assessing all customers impacted by PSPS events and the percentage of those customers who received notification of an upcoming event prior to the actual outage. The targets for 0.5, 1.0 and 1.5 are based on CPUC maturity levels 2, 3 and 4 respectively.
5.	**Measurement system / reporting process**	Measurement system and reporting process currently under development in partnership with Customer Care and Electric Operations.
6.	**Exclusions and exceptions**	• PG&E customers for whom PG&E has no contact information • Non-account holders
7.	**Benchmarking** (External benchmarks or internal performance)	Not currently benchmarked externally.
8.	**Related KPIs (e.g. leading indicators)**	None

II. HISTORICAL AND PROJECTED PERFORMANCE					
	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
2016	Not applicable – no PSPS events				
2017	Not applicable – no PSPS events				
2018	Not applicable – not measured				
2019	89.8%				
2020		99.0%			
2021		99.0%			
2022		99.0%			

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		III. TARGETS			

1.	Targets	Score	2020	2021	2022	2020-2022
		0.5	98%	98%	98%	98%
		1.0	99%	99%	99%	99%
		1.5	99.9%	99.9%	99.9%	99.9%

2.	Target type	☒ Higher is better ☐ Range:
		☐ Lower is better

3.	Target-setting methodology	Targets were set in accordance to the CPUC Wildfire Mitigation Maturity model. Threshold performance aligns with a level 2 maturity, target with a level 3 maturity and maximum with a level 4 maturity.

4.	Definitions of key terms	Term	Definition	Source
		PG&E Customers	PG&E Distribution Service Point Identifications (SPID's) with an active service agreement affected during a PSPS outage event	CC&B ILIS
		Affected	Customers de-energized due to a PSPS event	N/A
		Aggregated	Sum of total customers that receive notifications prior to their PSPS outage from all events within the evaluation period calculated against the Sum of total affected customers from all events within the evaluation period	N/A
		Received	Notifications delivered (attempted) successfully to customers, regardless if the customer confirmed receipt of notification	Message Broadcast Broadnet Live Agent Outcalls Door Knocks

5.	Supporting documents	• Utility Wildfire Mitigation Maturity Assessment (CPUC Maturity Model attached)

		IV. OWNERSHIP		

1.	Contacts	Type	Name (LAN ID)	Title	Phone
		Preparer	███████	Supervisor, Customer Service Reporting & Analytics	███████
		Backup	███████		
		Escalation	███████	Director, Workforce Management	███████

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2. Approvers (final approver must be SVP or equivalent)	Name (LAN ID)	Title
		Senior Vice President & CCO
		Interim President of PG&E
		Sr. Director, Local Customer Experience
		Director, Workforce Management
		Director, Customer Experience

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CPUC Maturity Model: PSPS Operating Model and Forecasting

Maturity Level	Description
0	PSPS event frequently forecasted incorrectly and poorly communicated to affected customers
1	PSPS event i) generally forecasted accurately with fewer than 50% of predictions being false positives; and ii) communicated to >95% of affected customers, and iii) >99% of medical baseline customers in advance of PSPS action, iv) with fewer than 1% of customers complaining, and v) no website downtime; and vi) fewer than 1 hour of average downtime per customer
2	PSPS event i) generally forecasted accurately with fewer than 33% of predictions being false positives; and ii) communicated to >98% of affected customers, and iii) >99.5% of medical baseline customers in advance of PSPS action, iv) with fewer than 0.5% of customers complaining, and v) no website downtime; and vi) fewer than 0.5 hour of average downtime per customer
3	PSPS event i) generally forecasted accurately with fewer than 33% of predictions being false positives; and ii) communicated to >99% of affected customers, and iii) >99.9% of medical baseline customers in advance of PSPS action, iv) with fewer than 0.5% of total customers complaining, and v) no website downtime, and vi) specific resources provided to customers to alleviate the impact of the power shutoff (e.g., providing backup generators, supplies, batteries, etc.); and vii) fewer than 0.25 hour of avg. customer downtime
4	PSPS event i) generally forecasted accurately with fewer than 25% of predictions being false positives; and ii) communicated to >99.9% of affected customers, and iii) 100% of medical baseline customers in advance of PSPS action, iv) with fewer than 0.5% of total customers complaining, and v) no website downtime, and vi) specific resources provided to customers to alleviate the impact of the power shutoff (e.g., providing backup generators, supplies, batteries, etc.); and vii) fewer than 0.1 hour of average downtime per customer

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I. DETAILS	
1.	**Metric name**	**System Hardening Effectiveness**
2.	**Risk impacted**	Wildfire Risk

3.	**Definition**	Count of circuit miles worked under System Hardening program within high-fire risk areas to reduce wildfire risk through either (1) rebuild of overhead circuitry to current hardening design standards (2) undergrounding (3) removal of overhead circuitry (line removal) (4) enablement for remote grid. This work is performed in HFTD Tiers 2/3 and Tier 1 HFRA.
		
		The metric includes Fire Rebuild work and any work associated with Public Safety Power Shutoff (PSPS) that is consistent with the 4 above mitigations.
		
		The following conditions must be met or LTIP score for this metric will be 0:
		
		Condition 1: 80%[1] of system hardening miles must be high-risk miles over the three-year reporting period. High-risk risk areas are defined as:
		
		  1. Top 20%[2] of approved risk model buydown curve
		  2. Fire rebuild miles
		  3. PSPS mitigation miles
		
		Condition 2: At least 10% of the completed System Hardening project portfolio over the three-year reporting period must be Undergrounding or Line Removal work[3].
		
		The risk model, risk scores, mitigation effectiveness weights, list of risk-prioritized System Hardening projects and program funding level are approved and governed by the Wildfire Risk Governance forum.
		
		The System Hardening projects are recorded as complete and included in metric calculations when individual spans/sections for each project are constructed and inspected for quality control and quality assurance against the hardening design standard and passed as "fire safe".
		
		[1]*Basis of the 80% is to allow for operational execution considerations including permitting, weather related access, and mob/demob efficiencies*
		[2]*Basis of the top 20% correlates to ~70% of the risk on the risk buydown curve*
		[3]*Risk reduction effectiveness for Overhead Hardening is estimated at 62% and Undergrounding or Line Removal is estimated at 99%*

4.	**Units and calculation**	Units are number of circuit miles complete, rounded to whole miles for LTIP score calculation. LTIP score is determined by number of actual circuit miles complete compared to LTIP 0.5, 1.0, and 2.0 targets for planned circuit miles
5.	**Measurement system / reporting process**	Work execution plan reporting from SAP and iAuditor provided by Electric Ops – Major Programs / Project Delivery (MPP)
6.	**Exclusions and exceptions**	- Projects completed prior to 01/01/2021 or after 12/31/2023 - Butte County Rebuild miles - System Hardening work performed outside of HFTD / HFRA

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		- Previously hardened miles
7.	**Benchmarking** (External benchmarks or internal performance)	No external benchmarking is available. 2019 and 2020 performance is used as a baseline.
8.	**Related KPIs** (e.g. leading indicators)	N/A

II. HISTORICAL AND PROJECTED PERFORMANCE					
	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
2017	N/A				
2018	N/A				
2019	171				
2020	354[1]				
2021		199			
2022		464			
2023		464			

[1]EOY forecast as of December 16, 2020. Includes Fire Rebuild circuit miles.

III. TARGETS						
1.	**Targets**	Score	2021	2022	2023	2021-2023
		0.5	180	423	423	1,026
		1.0	199	464	464	1,127
		2.0	208	485	485	1,178
2.	**Target type**	☒ Higher is better Range: ☐ ☐ Lower is better				

3.	**Target-setting methodology**	• **Target** is set at ~10% higher than Threshold
		
		 • **Threshold:**
		   o The 2021 Threshold is set in alignment with the approved 2021 System Hardening project portfolio
		   o The 2022 Threshold is set consistent with the Wildfire Mitigation Capital Funding forecast
		   o The 2023 Threshold is set based on the 2023 GRC funding level forecast
		
		 • **Stretch** is set at ~15% higher than Threshold and considers operational execution risks and limitations				

4.	**Definitions of key**	Term		Definition		Source

terms	HFTD	High Fire Threat District	
	HFRA	High Risk Fire Areas	
5. **Supporting documents**	N/A		

IV. OWNERSHIP			
1. **Contacts**	Type	Name (LAN ID)	Title	Phone
	Preparer	██████████	Manager, Grid Design	████████
	Backup		Director, Distribution Strategy	
	Escalation		Sr. Director, Asset Strategy	

2. **Approvers** (final approver must be SVP or equivalent)	Name (LAN ID)	Title
	██████████	Sr Director, Major Programs / Project Delivery
		VP, Major Projects and Programs
		VP, Asset, Risk Mgmt. & Comm Wildfire Safety
		Interim Sr. VP, Electric Operations
		Chief Risk Officer

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	I. DETAILS	
1.	**Metric name**	**Enhanced Vegetation Management Effectiveness**
2.	**Risk impacted**	Wildfire

3.	**Definition**	Completed circuit miles of vegetation cleared consistent with the EVM program scope within high-fire risk areas to reduce Wildfire Risk through (1) achieving 12' recommended radial clearance (2) removing identified abate trees as identified through the tree assessment tool (TAT) or a subsequent approved hazard tree assessment process (3) removing overhangs above and within 4 feet of power lines (4) reducing vegetative fuels under and adjacent to powerlines on targeted basis. This work is performed in HFTD Tiers 2/3 and Tier 1 HFRA.
		
		The following condition must be met or LTIP score for this metric will be 0:
		
		80%[1] of EVM miles must be high-risk miles over the three-year reporting period. High-risk miles are defined as:
		
		    1. Top 20%[2] of approved risk model buydown curve
		    2. Fire impacted miles
		
		The risk model, buydown curves, list of risk-prioritized EVM projects and program funding level are approved and governed by the Wildfire Risk Governance forum.
		
		EVM circuit mile is recorded as complete and included in the metric calculations when work validation has determined that all work has been identified and completed consistent with the scope applicable on the date of inspection.
		
		[1]*Basis of the 80% is to allow for operational execution considerations including permitting, weather-related access and customer approvals*
		[2]*Basis of the top 20% correlates to ~85% of the risk on the risk buydown curve*

4.	**Units and calculation**	Number of circuit miles complete rounded to one decimal for LTIP score calculation purposes. Score is determined by the number of actual circuit miles complete compared to LTIP 0.5, 1.0, and 2.0 targets for planned circuit miles.
5.	**Measurement system / reporting process**	ArcCollector application (csv workbook provided by Vegetation Management group)
6.	**Exclusions and exceptions**	- EVM Miles completed prior to 1/1/2021 or after 12/31/2023 - Routine compliance clearing or the CEMA program - Work performed outside of HFTD / HFRA
7.	**Benchmarking** (External benchmarks or internal performance)	No external benchmarking is available. 2019 and 2020 performance is used as a baseline.
8.	**Related KPIs** (e.g. leading indicators)	N/A

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	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
II. HISTORICAL AND PROJECTED PERFORMANCE					
2017	N/A				
2018	N/A				
2019	2,498				
2020	1,800[1]				
2021		1,890[2]			
2022		1,890[2]			
2023		1,890[2]			

[1] 2020 EOY forecast
[2] Current best case forecast; out-years will depend on prior year completion

III. TARGETS					
1. Targets	Score	2021	2022	2023	2021-2023
	0.5	1,800	1,800	1,800	5,400
	1.0	1,890	1,890	1,890	5,670
	2.0	2,070	2,070	2,070	6,210
2. Target type	☒ Higher is better ☐ Range: ☐ Lower is better				
3. Target-setting methodology	• **Target** is set 5% higher than Threshold • **Threshold** is set based on 12-yr EVM Program pace (2021 – 2032) consistent with the POR • **Stretch** is 15% higher than Threshold and considers limitations such as the finite population of line clearance qualified tree contractors				
4. Definitions of key terms	Term	Definition		Source	
	HFTD	High Fire Threat District			
	HFRA	High Fire Risk Areas			
5. Supporting documents	N/A				

IV. OWNERSHIP				
1. **Contacts**	Type	Name (LAN ID)	Title	Phone
	Preparer	███	Electric Program Manager	███
	Backup	███	Sup.,Veg Mgmt Program Mg.	███
	Escalation	███	Dir.,Veg Mgmt Program Mg.	███

2. **Approvers** (final approver must be SVP or equivalent)	Name (LAN ID)	Title
	███	Sr Director, Vegetation Management Ops
		VP, Major Projects and Programs
		VP, Asset, Risk Mgmt & Comm Wildfire Safety
		Interim Sr. VP, Electric Operations
		Chief Risk Officer

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I. DETAILS		
1.	Metric name	Achieving Savings Commitments
2.	Risk impacted	Not specific to an individual risk. Includes, in part, the aggregate financial impacts associated with risk events.
3.	Definition	Earnings from core operations excluding unrecoverable interest expense, under authorized earnings. Core Earnings is a non-GAAP measure.
4.	Units and calculation	Achieving Savings Commitments is calculated as: (Authorized Earnings) – (Core Earnings) + (Unrecoverable Interest Expense) Authorized Earnings are calculated as: (Authorized Equity Earning Ratebase) * (Authorized CPUC ROE across the Enterprise) * (Authorized CPUC Equity Ratio%)
5.	Measurement system / reporting process	Core earnings is an externally reported metric representing financial performance from ongoing core operations. It is reported quarterly as part of PG&E's quarterly SEC filing process. As core earnings represents financial performance, it is subject to Sarbanes-Oxley controls, as well as internal audit review.
6.	Exclusions and exceptions	• Non-core items, which represent income or expenses associated with events or circumstances considered unusual and not part of ongoing core operations. • Unrecoverable interest expense, which represents interest on ▓▓▓▓ PG&E Corporation debt and ▓▓▓▓ wildfire fund contribution debt financing.
7.	Benchmarking (External benchmarks or internal performance)	Core earnings is a common basis for LTIP measures. Payout - Most peers have a floor of 30% to 50% and ceiling of 200% for LTIP. This is consistent with PG&E's payout of 50% to 200%.
8.	Related KPIs (e.g. leading indicators)	• Core earnings, Core Earnings per Share (EPS)

II. HISTORICAL AND PROJECTED PERFORMANCE					
	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
2017	(29)	(13)	N/A	N/A	N/A
2018	(78)	(15)	N/A	N/A	N/A
2019	104	173	N/A	N/A	N/A
2020		210	N/A	N/A	N/A
2021		50	N/A	N/A	N/A
2022		0	N/A	N/A	N/A
2023		0	N/A	N/A	N/A

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III. TARGETS					
1. **Targets**	Score	2021	2022	2023	2021-2023
	0.5	125	75	75	92
	1.0	50	0	0	17
	2.0	(25)	(75)	(75)	(58)

2.	**Target type**	☐ Higher is better ☐ Range: ☒ Lower is better
3.	**Target-setting methodology**	• **Target** is set to achieve the midpoint of 2021 core earnings above authorized approved through the annual Financial Performance Plan, net of unrecoverable interest expense. Target for 2022 and beyond is core earnings at authorized. • **Threshold** is ▮▮▮ unfavorable to target, consistent with the 2021 under-earnings guidance range • **Stretch** is ▮▮▮ favorable to target, consistent with the 2021 under-earnings guidance range

4. **Definitions of key terms**

Term	Definition	Source
Core Earnings	A non-GAAP financial measure calculated as income available for common shareholders less non-core items. "Non-core items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods.	
Authorized Earnings	Calculated earnings on equity-earning ratebase, based on the CPUC authorized Enterprise ROE and equity ratio.	
Unrecoverable Interest Expense	Interest on ▮▮▮ PG&E Corporation debt and ▮▮▮ wildfire fund contribution debt financing.	

5.	**Supporting documents**	• Q2'20 Earnings Presentation

IV. OWNERSHIP				
1. **Contacts**	Type	Name (LAN ID)	Title	Phone
	Preparer	▮▮▮	Financial Analyst, Expert	▮▮▮
	Backup	▮▮▮	Financial Analyst, Expert	▮▮▮
	Escalation	▮▮▮	Manager, Financial Analysis & Reporting	▮▮▮

2. **Approvers** (final approver must be SVP or equivalent)	Name (LAN ID)		Title
	▮▮▮		Manager, Financial Analysis & Reporting
			Director, Financial Forecasting and Revenue Requirements
			VP, Controller, Utility CFO
			Vice President, Interim CFO

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I. DETAILS		
1.	**Metric name**	**Relative Total Shareholder Return (TSR)**
2.	**Risk impacted**	Shareholder value
3.	**Definition**	The internal rate of return of all cash flows to a shareholder during the performance period, including price gains and dividends, relative to the TSR of comparator group companies. For 2021, PG&E Corporation's three-year stock performance will be measured as TSR relative to the 2021 Performance Comparator Group approved by the Compensation Committee. If any member of the 2021 group ceases to be publicly traded (and its parent or successor also is not publicly traded), that member will be removed from the 2021 group, and the payout methodology will be applied to the revised smaller 2021 group.
4.	**Units and calculation**	Beginning and ending value are measured in dollars. Return is expressed as a percentage, rounded to one decimal place. Beginning value is calculated as the average market close price for the security over the 20-trading day period prior to the first trading day of the year, modified for dividend shares earned during the 20-trading day period (if applicable). Ending value is calculated as the average market close price over the 20-trading day period inclusive of the last trading day of the year, modified for dividend shares earned during the year (if applicable).
5.	**Measurement system / reporting process**	Financial results are downloaded from Bloomberg, using PG&E's Bloomberg terminal. Results are placed into a spreadsheet that automatically calculates TSR for all comparators using the same methodology and ranks TSR results across the comparator group.
6.	**Exclusions and exceptions**	• None
7.	**Benchmarking** (External benchmarks or internal performance)	Relative TSR is a common measure for long-term incentives. The performance comparators' TSR results act as benchmarks. Investor Relations performs a review of comparator companies annually, based on specific predetermined criteria, as a basis for management to propose a comparator group for the year. The Compensation Committee officially approves each year's performance comparator group.
8.	**Related KPIs** (e.g. leading indicators)	n/a

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	Actual	Target/Forecast	1st Quartile	2nd Quartile	3rd Quartile
II. HISTORICAL AND PROJECTED PERFORMANCE					
2016	67.54%		65.16%	57.38%	44.10%
2017	4.54%		50.97%	44.19%	18.38%
2018	-50.5%		59.3%	50.6%	41.2%
2019	-81.7%		66.6%	59.9%	34.2%
2020		50th percentile/ -10.9%[1]	10.3%[1]	2.4%[1]	-8.4%[1]
2021					
2022					

[1] Actual results as of 10/31/2020

III. TARGETS						
1. Targets		Score	2021	2022	2023	2021-2023
		0.5	25th percentile	25th percentile	25th percentile	25th percentile
		1.0	50th percentile	50th percentile	50th percentile	50th percentile
		2.0	90th percentile	90h percentile	90th percentile	90th percentile
2. Target type	☒ Higher is better ☐ Range: ☐ Lower is better					
3. Target-setting methodology	• **Target** is based on meeting the median TSR of the comparator group. • **Threshold** represents meeting at least the 25th percentile of the comparator group's TSR results. • **Stretch** represents meeting at least the 90th percentile of the comparator group's TSR results.					
4. Definitions of key terms		Term	Definition		Source	
5. Supporting documents	• TSR calculation spreadsheet • Bloomberg downloads					

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IV. OWNERSHIP				
1. Contacts	Type	Name (LAN ID)	Title	Phone
	Preparer	████████	Manager, Executive Compensation	████████
	Backup	████████	Compensation Analyst, Senior	
	Escalation	████████	Director, Compensation	
2. Approvers (final approver must be SVP or equivalent)	Name (LAN ID)		Title	
	████████		Director, Compensation	
	████████		Vice President, Talent and Chief Diversity Officer	