

Dear [Customer Name]:

In 60 days, one or more of your accounts is scheduled to transition to a new rate schedule called Peak Day Pricing (PDP). This letter explains how the plan works and how to prepare so that you might be able to benefit from PDP.

### **How PDP Works**

Under PDP, you pay increased rates between the hours of 2 p.m. and 6 p.m. on at least 9 and no more than 15 “Event Days” which are called by PG&E in a year. In exchange, you pay a lower rate at other times. If you are able to shift or reduce electricity use during the events, your company can save money. If you are unable to do so, you may face higher charges. Event Days typically occur from May through October on hot summer afternoons, but can be called year-round based on energy conditions.

### **Bill Protection**

During the first 12 months of PDP, you will receive bill protection. If at the end of the year, you would have saved more money on your current rate than on PDP, PG&E will pay you the difference. The Bill Protection feature helps you test and assess your company’s ability to save with PDP.

**Your account will automatically transition to PDP on [Default Date].** If you decide that PDP is not the right option for your business, you may choose to opt out of this rate. Please contact us at least five business days prior to your default date and note that you may be required to switch your current rate schedule to one of the rate schedules listed on the following page(s).

### **Why PDP**

Did you know that the cost of producing electricity is much higher when the demand is high? However, with current flat rate prices all electricity consumption is treated the same regardless of when you use it. Now, that situation is changing: The State of California has directed all utilities, including PG&E, to make rates available to customers which reflect the true cost of electricity according to the customer demand for it, so that during high demand periods customers are charged a higher price for usage, and during periods of low demand, customers are charged a lower price.

To learn more about PDP or to confirm or decline your participation in PDP, visit [www.pge.com/pdp](http://www.pge.com/pdp). You may also call your local PG&E Representative for more information.

We appreciate your business and are proud to be your energy provider.

Sincerely,  
Felicia K. Lokey  
Senior Director, Customer Engagement  
Pacific Gas and Electric Company