

Cost Responsibility Surcharge (CRS) are charges that are imposed on Direct Access or Community Choice Aggregation customers to ensure that bundled service customers do not bear higher costs due to the migration of a significant number of customers from bundled to DA/CCA service. CRS includes DWR Bond Charges, vintaged PCIA, Energy Cost Recovery Amount (ECRA), and Competition Transition Cost (CTC).

Certain customers are exempt from portions of the CRS charges, either because of a policy decision to mitigate financial hardship on those customers (e.g., CARE, medical baseline), or because the customer group did not bear the historic costs (e.g., customers who were already on Direct Access before 2001). The following table summarizes the customers who are exempt from components of the CRS; a checkmark indicates that the customer does not have to pay for the CRS component.

CRS Exemption

	DWR Bond	Vintaged PCIA ¹	ECRA ²	CTC ³
CARE	x			
Medical Baseline	x	x		
Continuous DA ⁴	x	x		

¹ Power Charge Indifference Adjustment: Ensures that customers who purchase electricity (generation) from non-PG&E suppliers pay their share of generation costs acquired to serve them prior to their departure, unless otherwise exempt.

² Energy Cost Recovery Amount: These charges are imposed pursuant to law to help reduce the costs of financing PG&E's emergence from bankruptcy. One of these charges is the Dedicated Rate Component (DRC), which is \$0.00519 per kWh. The right to receive DRC revenues has been sold to a special purpose entity, PG&E Energy Recovery Funding LLC, and PG&E is collecting this charge on behalf

³ Competition Transition Cost: Charge for the cost of electricity that is in excess of the market price, as determined by the CPUC

⁴ A customer who has continuously subscribed to DA before and after February 1, 2001 and continues to be DA through September 20, 2001