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PRESS RELEASE

Docket #: I.14-03-004

**CPUC SAFETY STAFF PROPOSE PENALTIES
FOR EDISON SAFETY VIOLATIONS**

SAN FRANCISCO, March 20, 2014 - The California Public Utilities Commission (CPUC) has issued for comment a proposed penalty totaling \$24.5 million against Southern California Edison regarding a 2011 windstorm and a 2011 electrocution incident.

The CPUC's Safety & Enforcement Division (SED), led by Acting Director Denise Tyrrell, proposed the penalty, which has been agreed to by Edison, in the CPUC's penalty consideration case against Edison, which the CPUC opened on March 13, 2014. Of the \$24.5 million in proposed penalties, \$15 million would go to the state's General Fund and the remainder to mitigation efforts to continue SED's work in making the state's utilities safe and reliable. The proposed penalties would only become effective if approved by the CPUC's Commissioners.

2011 Windstorm

Powerful winds swept through Edison's territory Nov. 30-Dec. 1, 2011, uprooting trees and knocking down utility facilities. There were prolonged power outages for 440,168 of Edison's customers, and 248 wood poles and 1,064 overhead conductors were impacted. Edison provided customers with inaccurate power restoration time estimates, which was a major issue during the event. SED investigated the cause of the failed poles and determined that Edison and other joint pole owners violated the CPUC's safety requirements. Under SED's proposal, Edison admits that safety factors for 20 poles and 17 guy wires were less than required by the CPUC. Further, Edison admits that it did not preserve all failed poles and associated equipment from the incident, as required by the CPUC. In addition, Edison's collection and cataloguing methodology prevented SED from reconstructing all but five poles for analysis. Edison believes that the preservation of all poles,

conductors, and other associated equipment may have hindered its efforts to restore power to its customers impacted by the windstorm at some locations. For these violations, under SED's proposal Edison would pay \$8 million in shareholder funds (\$5 million would go to the state's General Fund and \$3 million would go to implement programs to reduce the likelihood of poles becoming overloaded in Edison's service territory).

Acacia Street Incident

On January 14, 2011, two Edison 12 kV overhead conductors came into contact or near contact with each other and caused a conductor to break, fall to the ground, and start a small grass fire. A resident at the site was electrocuted when he contacted a section of the conductor that was lying on the ground. His wife and his stepson tried to help him and were also electrocuted. Seconds prior to the above contact, there was another conductor failure on the same circuit, 0.25 miles away from the incident site. Prior to this incident, phase-to-phase contacts occurred on the same circuit on December 23, 2006, December 25, 2007, and October 14, 2008. SED investigated and determined that Edison violated the CPUC's safety requirements. Edison admits it failed to properly consider the potential significance of the incidents prior to January 14, 2011, in designing, constructing, or maintaining the facilities that were involved in the January incident to prevent them from failing in the manner that occurred. For these violations, under SED's proposal Edison would pay \$16.5 million in shareholder funds (\$10 million to the state's General Fund and \$6.5 million on implementing programs to reduce the likelihood of reoccurrence of a similar incident.

The document opening the investigation, SED's investigation report, and the penalty proposal is available at

www.cpuc.ca.gov/PUC/safety/Electric/CPUC_Safety_Staff_Propose_Penalties_for_Edison_Safety_Violations.htm.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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