CPUC STAFF FILE PROPOSED $1.675 BILLION SETTLEMENT AFTER INVESTIGATION OF 2017-18 CATASTROPHIC WILDFIRES

PG&E Prevented from Recovering $1.625 Billion in Wildfire-Related Costs from Ratepayers; Includes Millions in Community Engagement-Focused Initiatives

SAN FRANCISCO, Dec. 17, 2019 – The California Public Utilities Commission’s (CPUC) Safety and Enforcement Division, following a months-long investigation, today filed a proposed settlement addressing issues involving the role of Pacific Gas and Electric Company’s (PG&E) facilities in igniting fires in its service territory in 2017 and 2018. This includes wildfires that occurred in 2017 in Butte, Calaveras, Lake, Mendocino, Napa, Nevada, Sonoma, and Yuba Counties, and the deadly 2018 Camp Fire.

The proposed settlement is available at www.cpuc.ca.gov/wildfiresinfo under “Staff Investigations.”

The proposed settlement between the CPUC’s Safety and Enforcement Division, the CPUC’s Office of the Safety Advocate, the California Coalition of Utility Employees (CUE), and PG&E, prevents the utility from recovering $1.625 billion in wildfire-related costs from ratepayers and would fund an additional $50 million by PG&E shareholders in system enhancements and community engagement initiatives to strengthen its electric operations and maintenance in an effort to mitigate the risk of wildfires. This amounts to a total financial obligation by PG&E shareholders of $1.675 billion.

Today’s filing sets in motion the next steps, which include review by an Administrative Law Judge, a 30-day comment period, and public review by the CPUC’s Commissioners. Parties have 30 days to comment on the proposed settlement. Any final settlement must be considered and approved by the CPUC’s Commissioners at a public Voting Meeting. Members of the public can comment on the proposed settlement by emailing public.advisor@cpuc.ca.gov and referring to proceeding number I.19-06-015.
The $50 million in shareholder-funded system enhancements would include vegetation management and electric operations-focused initiatives, system-wide analyses, community engagement-focused initiatives, and transparency and accountability-focused initiatives. Among other things, the initiatives would include:

- PG&E Officers conducting regular Town Hall meetings to share safety and utility service-related information with, and gather feedback from, members of the community.
- Quarterly public reporting on electric maintenance work.
- Semi-annual meetings with local government planning, public works, emergency services, and fire leadership to exchange feedback and information regarding ongoing wildfire safety activities.
- Up to $5 million in shareholder funds to the California Foundation for Independent Living Centers for a pilot program to help alleviate some disruptive impacts for, and support the safety and welfare of, vulnerable customers before, during, and after disasters and Public Safety Power Shut-off (PSPS) events.
- Funding of up to $10 million to aid in the development of non-diesel generators capable of meeting a range of use cases including (but not limited to) planned outages, unplanned outages, and temporary micro-grids for PSPS events.

The parties involved in the proposed settlement have requested expedited approval by the CPUC’s Commissioners so that PG&E’s Chapter 11 bankruptcy case can be resolved by June 30, 2020, enabling the utility to participate in the state’s special wildfire fund to pay future wildfire claims.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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