



**California Public Utilities Commission**  
**505 Van Ness Ave., San Francisco**

**FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

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## **CPUC ISSUES PRESIDENT STATEMENT ON WILDFIRES AND PROVIDES INFORMATION ON WILDFIRE ACTIONS**

SAN FRANCISCO, November 15, 2018 - The California Public Utilities Commission (CPUC) today issued the following statement from its President, Michael Picker, regarding the wildfires in California:

“The tragic events of this past week are still unfolding, the details of which are to be investigated by the appropriate authorities. But it is already evident that the loss of life and property due to the wildfires in Northern and Southern California in November 2018 exceed historical marks by any measure.

On behalf of the California Public Utilities Commission (CPUC), I extend my condolences to the families and communities impacted by this tragedy. Our support continues for the firefighters and first responders working to contain these catastrophic fires.

The CPUC is one of the government agencies tasked with ensuring that investor-owned utilities operate a safe and reliable grid. An essential component of providing safe electrical service is the financial wherewithal to carry out safety measures.

Senate Bill (SB) 901 (2018), which was signed by Governor Brown in September, establishes mechanisms to address cost recovery for wildfire-related expenses. Specifically, Public Utilities Code Section 451.2 requires the CPUC, when evaluating an application for recovery of wildfire-related expenses, to consider a utilities’ financial status and determine the maximum amount the utility can pay without harming



ratepayers or materially impacting its ability to provide adequate and safe service. The CPUC will initiate a rulemaking shortly to implement Section 451.2 by adopting a methodology for interpreting this provision that will be applied in subsequent applications for cost recovery.

Furthermore, in the existing PG&E Safety Culture investigation proceeding ([I.15-08-019](#)), I will open a new phase examining the corporate governance, structure, and operation of PG&E, including in light of the recent wildfires, to determine the best path forward for Northern Californians to receive safe electrical and gas service in the future.”

*Michael Picker is the President of the CPUC. He was appointed January 24, 2014, and his term ends December 31, 2020.*

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The CPUC is one of the government offices tasked with ensuring investor-owned utilities operate a safe and reliable grid. To ensure public safety in this time of increased wildfire occurrence, the CPUC is addressing wildfires in many settings and proceedings, including:

### **Wildfire Mitigation**

In September 2018, Governor Brown signed SB 901, which requires, in part, investor-owned utilities to file wildfire mitigation plans at the CPUC, and for the CPUC to pursue enforcement actions if the investor-owned utilities do not follow the plans approved by the CPUC. In October 2018, the CPUC opened a [rulemaking](#) to develop and adopt the wildfire mitigation plans. This is effort ongoing and the CPUC aims to adopt the first round of plans before the wildfire season starts next year.

### **Investigations**

The CPUC’s Safety and Enforcement Division (SED) is diligently investigating several fire events, and that process must be allowed to play out before drawing conclusions. If SED finds an investigation warrants the CPUC opening an investigation, then SED will present information to the CPUC for consideration. SED also has authority to issue citations for alleged violations, which it finds do not warrant an investigation proceeding. SED’s reports are available to the public when they are complete.

## **Joint Agency Efforts**

The CPUC is working collaboratively with Cal OES and CAL FIRE. The CPUC and CAL FIRE will also work together in reviewing the wildfire plans. This work builds on the [Memorandum of Understanding](#) signed between the CPUC and CAL FIRE, which allows the two agencies to work collaboratively.

## **De-energization Events**

In July 2018, the CPUC adopted rules to strengthen customer notification requirements before an investor-owned utility can de-energize power lines and ordered utilities to engage local communities in developing de-energizing programs. In October 2018, the CPUC, Cal OES, and CAL FIRE issued a [joint letter](#) to the utilities providing further instructions on what the agencies expect from the utilities before de-energizing power lines. Investor-owned utilities recently began filing [post-de-energization reports](#) to the CPUC. These are currently being reviewed by CPUC staff.

## **Other SB 901 Implementation Efforts**

SB 901 prohibits investor-owned utilities from recovering officer compensation from ratepayers, increases the maximum amount the CPUC can fine utilities, and requires the CPUC to do safety culture reviews of utilities. In October 2018, the CPUC issued a resolution that prohibits ratepayers from paying for utility officer compensation. The CPUC is scheduled to vote on this item at the November 29, 2018 Voting Meeting. As the implementation of Public Utilities Code Section 451.2 is under consideration by the CPUC, the CPUC is mindful that in order for a utility to operate safely, it must have the financial means to function and implement new safety measures.

## **Consumer Protection**

On October 26, 2018, the CPUC held a workshop at Cal OES addressing telecommunication providers participation in providing relief to customers in times of emergencies.

## **Next Steps**

As investigations are completed, best practices are developed, and we learn which policies prevent wildfires and protect the public, the CPUC's safety programs will continue to evolve. The CPUC is



moving quickly to implement new legislation and to update existing programs to ensure public safety, protect consumers, and hold utilities accountable.

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](http://www.cpuc.ca.gov).

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