



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

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**PRESS RELEASE**

Docket #: I.19-09-016

## **CPUC ISSUES PRESIDENT’S STATEMENT ON PG&E’S PROPOSED BANKRUPTCY PLAN**

SAN FRANCISCO, February 18, 2020 - The California Public Utilities Commission (CPUC) today issued the following statement from CPUC President Marybel Batjer regarding proposals issued for comment in the CPUC’s proceeding to consider the ratemaking and other implications of Pacific Gas and Electric Company’s (PG&E) proposed bankruptcy plan:

“Today, as the assigned Commissioner in the PG&E Bankruptcy proceeding, I have issued an Assigned Commissioner’s Ruling to ensure critical elements of PG&E’s reorganization plan are fully informed and comprehensively address outstanding questions regarding the future governance of the company. The Ruling includes proposals for changes to PG&E’s financial and operational structure that are designed to help it function as a safe company that is responsive to its customers’ needs. It is essential we hear from all parties, including ratepayers, consumer advocates, local governments, investors, and investor groups on the implications and effectiveness of all the proposals before the CPUC.

Investor-owned utilities have an enormous privilege in serving as a unique provider of essential services to the public—and with that privilege comes great responsibility to those they serve. I am very concerned about PG&E’s pattern of safety-related failures. These failures were most recently exemplified by its management of last October’s Public Safety Power Shut-off events, which raises questions about its ability to effectively plan and execute on decisions and actions within its control. Most importantly, it raises questions about how well this utility understands the



privilege it has been given and its commitment to following through on its responsibilities.

The CPUC's role as a regulator is to ensure PG&E's responsibilities are being discharged so that its customers receive safe and reliable service at reasonable rates consistent with achieving California's climate goals.

If PG&E, or any utility, is perceived as struggling to deliver on its responsibilities to the point that the Legislature tasks the CPUC with ensuring that the utility develops a governance structure that responds to its 'safety history, criminal probation, recent financial condition and other factors,' then it is the CPUC's responsibility to identify and develop remedial measures to improve an investor-owned utility's governance or management structure.

The PG&E Bankruptcy proceeding before the CPUC has produced proposals in testimony that begin to develop some answers to these questions. In my review of these proposals, additional questions have arisen. Though the CPUC is working under an aggressive timeline, we need to ask how best PG&E should be governed and operated coming out of this process. It must be clearly demonstrated that mechanisms are in place to ensure that the utility has emerged as a fundamentally changed company that has a commitment and ability to provide safe and reliable service at reasonable rates and can simultaneously continue needed improvements to mitigate wildfire risk and achieve the state's climate goals. There is no other way to do this than to insist that PG&E discharge its responsibilities to its customers and the state in a reasonable and competent manner, and becomes a company operated with skill and good judgement by experienced professionals.”

President Batjer's Assigned Commissioner's Ruling is available at <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M327/K303/327303409.PDF>. Appendix A to the Ruling contains proposals for comments by parties through the CPUC's formal filing process. Members of the public can submit comments to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov) and refer to proceeding number I.19-09-016.



## Schedule

Parties to the CPUC's PG&E Bankruptcy proceeding will have the opportunity to discuss the schedule for addressing the proposals in the Assigned Commissioner's Ruling at the beginning of Evidentiary Hearings starting on February 25, 2020, at 10 a.m. (CPUC Hearing Room A, 505 Van Ness Ave., San Francisco, CA 94102; also available via [webcast](#)). For discussion purposes, the Assigned Commissioner's Ruling proposes the following schedule:

- One round of concurrent testimony (on the proposals only) to be filed with the CPUC on a date to be determined between March 6, 2020 and March 13, 2020.
- Evidentiary Hearings (if necessary) would be held on March 18, 2020 through March 20, 2020.
- One round of concurrent briefing on the proposals would be filed with the CPUC on March 26, 2020.
- Reply briefs (on all other issues) that are currently scheduled to be filed on March 20, 2020, would also become due on March 26, 2020.

In order for PG&E to participate in the Wildfire Fund established under Assembly Bill 1054, PG&E would need to emerge from bankruptcy by June 30, 2020.

For more information on PG&E's bankruptcy proceeding at the CPUC, please visit <https://www.cpuc.ca.gov/pgechapter11>.

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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