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PRESS RELEASE

Docket #: M-4852

CPUC PLACES PG&E INTO ENHANCED OVERSIGHT AND ENFORCEMENT PROCESS FOR WILDFIRE MITIGATION PERFORMANCE

SAN FRANCISCO, April 15, 2021 – The California Public Utilities Commission (CPUC) today placed Pacific Gas and Electric Company (PG&E) into the first step of an enhanced oversight and enforcement process based on the company's failure to sufficiently prioritize clearing vegetation on its highest-risk power lines as part of its wildfire mitigation work in 2020. PG&E is ordered to make corrective actions to ensure it improves its safety performance.

Today's action builds on findings in an audit report issued by the CPUC's Wildfire Safety Division regarding PG&E's enhanced vegetation management activities. The Wildfire Safety Division found that in 2020 PG&E failed to clear hazardous vegetation from power lines that posed the highest wildfire risks, based on the company's own risk rankings. Instead, PG&E logged the majority of its compliance work on lower-risk power lines – the opposite of expectations set out in PG&E's Wildfire Mitigation Plan.

In a November 2020 letter, CPUC President Marybel Batjer notified PG&E of the CPUC's concerns that the utility may be deficient in its responsibility to safely manage wildfire risks posed by trees and other vegetation. Today's action confirms that PG&E failed to make sufficient risk-driven investments in its vegetation management practices and places PG&E into the first step of an enhanced oversight and enforcement process.

PG&E must submit to the CPUC a corrective action plan and progress reports every 90 days. The corrective action plan and progress reports will be public documents and the CPUC will hold public briefings for transparency about PG&E's progress. The corrective action plan is intended to create a



path to help ensure that in 2021 PG&E is prioritizing its enhanced vegetation management based on wildfire risk throughout its electric system.

CPUC safety staff will closely monitor PG&E's corrective actions and ensure that the utility's risk-driven prioritization is carried out by its vegetation management crews on the ground.

If PG&E demonstrates it is prioritizing high-risk lines for enhanced vegetation management in 2021, the utility could be removed from the enhanced oversight process. If PG&E fails to demonstrate it is satisfying the corrective action requirements, the CPUC may pursue advancing the utility in the process.

The CPUC's enhanced oversight and enforcement process for PG&E has six steps that are triggered by specific findings or events. The process was imposed by the CPUC as a condition of approving PG&E's plan for exiting bankruptcy in May 2020, and provides a clear roadmap for how the CPUC closely monitors PG&E's performance in delivering safe, reliable, affordable, clean energy. The process does not supplant existing CPUC regulatory or enforcement jurisdiction and does not limit the CPUC's authority to pursue other enforcement actions.

The proposal voted on is available at

https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M377/K568/377568108.PDF, and the Appendix is at

https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M376/K680/376680762.PDF.

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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