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CPUC HOLDS PG&E ACCOUNTABLE FOR FLAWED IMPLEMENTATION OF FALL 2019 PSPS EVENTS

SAN FRANCISCO, May 26, 2021 - The California Public Utilities Commission (CPUC), in ongoing actions to hold utilities accountable for Public Safety Power Shutoff (PSPS) events, today issued an Administrative Law Judge decision penalizing Pacific Gas and Electric Company (PG&E) \$106 million for violating guidelines during Fall 2019 PSPS events. The decision offsets the penalty by \$86 million based on bill credits that were already provided to customers by PG&E shareholders at the Governor's direction, making the net penalty assessed on PG&E \$20 million. The \$20 million penalty ordered in this decision will be paid by shareholders in the form of customer bill credits and a contribution to a backup portable battery program.

On November 12, 2019, the CPUC issued an Order to Show Cause why PG&E should not be sanctioned for its implementation of the Fall 2019 PSPS events. Today's decision, called a Presiding Officer's Decision, continues the enforcement action by finding that PG&E violated public safety requirements of Public Utilities Code section 451 and the CPUC's PSPS guidelines in its implementation of the Fall 2019 PSPS events. The decision penalizes PG&E to deter future violations and require accountability for PG&E's poor implementation of these PSPS events. The issues addressed included the failure of PG&E's website, which was unavailable or non-functional during the majority of the duration of a PSPS event, the inaccuracy of PG&E's online outage maps, the inaccessibility of secure data transfer portals to PG&E's public safety partners, and PG&E's failure to provide advanced notification of PSPS events to approximately 50,000 customers and 1,100 Medical Baseline customers during three PSPS events.

The decision orders PG&E shareholders to pay \$1.418 million to PG&E's Disability Disaster Access & Resources Program, which provides qualifying customers access to backup portable batteries

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through a grant, lease-to-own, or low-interest loan options. The decision also orders a PG&E shareholder-funded credit of \$12.185 million to be spread across the bills of the general group of customers in the areas affected by the Fall 2019 PSPS events, which reflects an offset of \$86 million due to bill credits already issued by PG&E. PG&E provided the \$86 million in bill credits in response to Governor Newsom's demand that PG&E be held accountable for its flawed execution of 2019 PSPS events and provide a bill credit of \$100 per residential customer and \$250 per small business. Lastly, the decision orders a PG&E shareholder-funded bill credit of \$6.4 million to Medical Baseline customers in the areas affected by the Fall 2019 PSPS events.

Today's Administrative Law Judge's Presiding Officer's Decision will become the decision of the CPUC after 30 calendar days unless a party to the proceeding files an appeal or a Commissioner requests a review. Should a party file an appeal of the Presiding Officer's Decision or a Commissioner requests review, the Administrative Law Judge will review the appeal and either make changes to the decision or keep it the same. The decision would then come before the Commissioners to consider at a Voting Meeting (although the Commissioners may discuss the decision of the Administrative Law Judge in a publicly noticed closed session, they can only vote on the decision in open session). Commissioners also have the option of issuing a Decision Different for consideration.

The Presiding Officer's Decision is available at:

https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M385/K400/385400379.PDF.

Since the 2019 PSPS events, the CPUC has taken a series of ongoing actions to further ensure PG&E and the other investor-owned utilities continue to reduce the scope and duration of PSPS events and prioritize customer safety. Among those CPUC actions:

- In 2019 and throughout 2020 required PG&E implement a series of actions to correct deficiencies in 2019 PSPS events;
- In May 2020, adopted refinements and improvements to existing PSPS guidelines and requirements in advance of 2020 wildfire season;
- In January 2021, required SCE implement a series of actions to correct deficiencies in 2020 PSPS events:



In February 2021, issued staff proposal for additional refinements and improvements to • existing PSPS guidelines and requirements in advance of 2021 wildfire season.

Documents related to this proceeding are available at:

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5 PROCEEDING SELECT:R1812005.

The CPUC regulates services and utilities, protects consumers, 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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