

Decision 21-11-010 November 4, 2021

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the
Commission's Own Motion to
Determine Whether Pacific Gas and
Electric Company and PG&E
Corporation's Organizational Culture
and Governance Prioritize Safety.

Investigation 15-08-019

ORDER EXTENDING STATUTORY DEADLINE

Summary

This decision extends the statutory deadline in this proceeding to November 8, 2022.

1. Background

Public Utilities Code (Pub. Util. Code) Section 1701.5(a)¹ provides that ratesetting cases must be resolved within 18 months of the date the scoping memo is issued, unless the Commission determines that statutory deadline cannot be met and issues an order extending the deadline. Pursuant to Pub. Util. Code Section 1701.5(b), the Commission may also specify in a scoping memo a resolution date later than 18 months if the scoping memo includes reasons for the necessity of a later date. Under this statutory framework, the statutory deadline for this proceeding has been extended several times and is now set to expire on

¹ Investigation 15-08-019 was initiated prior to changes made to Pub. Util. Code Section 1701.5(a). These changes only apply to cases filed after December 31, 2016.

November 8, 2021. Today's decision extends that statutory deadline for an additional 12 months, to November 8, 2022.

On August 27, 2015, the Commission initiated this Order Instituting Investigation to determine whether Pacific Gas and Electric Company's (PG&E) and PG&E Corporation's (PG&E Corp.) organizational culture and governance prioritize safety and direct PG&E to take remedial actions. In this proceeding, the Commission also directed the Safety and Enforcement Division to act in its advisory capacity to investigate PG&E's safety culture and retain the services of an expert consultant to assist in this investigation.

On May 8, 2017, the assigned Commissioner issued the first scoping memo and ruling setting forth the category, scope, schedule of the proceeding. This May 8, 2017 scoping memo set a 24-month statutory deadline, starting from the date of the scoping memo, for resolving the issues in this proceeding.

On August 1, 2017, a prehearing conference (PHC) was held, and on September 12, 2017, a workshop was held. On April 11, 2018, an evidentiary hearing was held. Parties filed written briefs on May 9, 2018 and reply briefs on May 21 and 23, 2018.

On November 29, 2018, the Commission adopted Decision (D.) 18-11-050, which adopted the recommendations in the report titled *Assessment Of Pacific Gas And Electric Corporation And Pacific Gas And Electric 's Safety Culture Prepared For California Public Utilities Commission (April 21, 2017)* (NorthStar Report) and ordered PG&E to implement the recommendations of the report.

On December 21, 2018, the assigned Commissioner issued a second scoping memo and ruling to set the scope and the schedule for the second phase of the proceeding. No change was made to the applicable statutory deadline. The statutory deadline remained May 8, 2019, as set forth in the May 8, 2017

scoping memo. Parties filed comments on the second scoping memo on February 13, 2019 and reply comments on February 22 and 28, 2019.

On April 25, 2019, the Commission issued D.19-04-043 extending the statutory deadline for 12 months, to May 8, 2020, to allow for sufficient time to address the issues in the second phase of this proceeding.

On June 13, 2019, the Commission adopted D.19-06-008, which ordered PG&E and PG&E Corp. to provide information about the safety experience and qualifications of independent directors on the boards of PG&E and PG&E Corp. and established a Commission Advisory Panel on Corporate Governance.

On May 7, 2020, the Commission issued D.20-05-025, which extended the statutory deadline from May 8, 2020 to November 8, 2020, to allow sufficient time to consider the remaining issues related to PG&E's safety culture and take into consideration the outcome of PG&E's bankruptcy-related proceedings.

On September 4, 2020, the assigned Administrative Law Judge (ALJ) in this proceeding issued a ruling confirming that this proceeding would continue to remain open to provide the Commission with a forum to, among other things, monitor PG&E's ongoing safety performance. The ruling further confirmed that NorthStar would continue its work for the Commission in a monitoring role.

To accommodate this ongoing review, the Commission on November 5, 2020, extended the statutory deadline of this proceeding from November 8, 2020 to November 8, 2021 in D. 20-11-016.

This proceeding should remain open to provide the Commission sufficient time to establish appropriate next steps for this proceeding. Therefore, we extend the statutory deadline for an additional 12 months, from November 8, 2021 to November 8, 2022.

2. Waiver of Comment Period

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure, the Commission may reduce or waive the period for public review and comment of proposed decisions extending the deadline for resolving ratesetting proceedings. Accordingly, the otherwise applicable period for public review and comment is being waived.

3. Assignment of Proceeding

Marybel Batjer is the assigned Commissioner and Nilgun Atamturk is the assigned ALJ in this proceeding.

Findings of Fact

1. The current statutory deadline for resolving Investigation 15-08-019 is November 8, 2021.
2. An extension of statutory deadline from November 8, 2021 to November 8, 2022 is necessary to provide the Commission sufficient time to establish appropriate next steps for this proceeding.

Conclusion of Law

Pursuant to the authority granted to the Commission under Pub. Util. Code § 1701.5(a), the statutory deadline should be extended to November 8, 2022.

IT IS ORDERED that the statutory deadline in this proceeding is extended until November 8, 2022.

This order is effective today.

Dated November 4, 2021, at San Francisco, California.

MARTHA GUZMAN ACEVES
CLIFFORD RECHTSCHAFFEN
GENEVIEVE SHIROMA
DARCIE HOUCK

Commissioners

Commissioner Marybel Batjer, being necessarily absent, did not participate.