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PRESS RELEASE

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CPUC STAFF PROPOSE PENALIZING PG&E FOR FAILURE TO PROMPTLY REMEDIATE SAFETY ISSUE

SAN FRANCISCO, June 24, 2022 - The California Public Utilities Commission (CPUC) today issued a staff Citation imposing corrective actions and a \$1.27 million fine to be paid to the state's General Fund by the shareholders of Pacific Gas and Electric Company (PG&E) for its failure to promptly correct problems with systems used to prevent corrosion in natural gas infrastructure.

The CPUC issued the <u>Citation</u> after an investigation by its Safety and Enforcement Division into PG&E's failure to promptly remediate 127 pipeline locations with inadequate cathodic protection. Cathodic protection is required to protect certain natural gas pipeline infrastructure from corrosion. Not correcting the systems in a timely manner increases the risk of corrosion. The CPUC determined that PG&E violated Title 49 CFR §192.465(d) and issued today's Citation.

Under the CPUC's staff program, PG&E has 30 days to pay the fine and make the corrective actions, or request a hearing.

Information about the Citation is available at: www.cpuc.ca.gov/regulatory-services/enforcement-and-citations/pipeline-citations.

The CPUC's Safety and Enforcement Division has authority to issue Citations to regulated natural gas and electric companies for violation of CPUC codes and regulations. Safety violations are identified through the Safety and Enforcement Division's ongoing audits, inspections, and investigations; by the utilities themselves through mandatory disclosure requirements; or through the CPUC's whistleblower program for anonymous and protected reporting of violations. Whistleblowers can call 1-800-649-7570

or email safetyhotline@cpuc.ca.gov. The CPUC also has an online whistleblower reporting form at https://ia.cpuc.ca.gov/whblow/ where complaints can be submitted anonymously.

Today's action is the latest of many actions the CPUC has taken to hold PG&E accountable for safely serving its customers, including:

- Issued an Administrative Enforcement Order penalizing PG&E \$10 million and ordering corrective actions for poor execution of 2020 Public Safety Power Shutoff events.
- Issued a \$5 million Citation for PG&E's failure to thoroughly inspect the Ignacio-Alto-Sausalito transmission lines from 2009 through 2018 and complete 22 high-priority repairs within the time allowed under CPUC regulations (General Order 95).
- Issued a \$2.5 million Citation to PG&E for incomplete distribution pole inspections in 2019 that violated the requirements of CPUC regulations (General Order 165).
- Issued a directive to PG&E with corrective actions the utility must take regarding an incident with a Cellon-treated pole that occurred in Danville, Calif. in 2020.
- Established specific metrics to systemically evaluate PG&E's operational safety performance and to further implement the Enhanced Oversight and Enforcement Process imposed upon PG&E by the CPUC as a condition of approving PG&E's plan for exiting bankruptcy in May 2020.
- Directed PG&E to take immediate action to reduce and mitigate customer impacts from the sudden loss of power due to PG&E's execution of its Fast Trip program.
- Placed 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, and conducting fact-finding to determine whether to recommend advancing PG&E further within the Enhanced Oversight and Enforcement process.
- Directed PG&E to address its preparedness for Public Safety Power Shutoffs at a public briefing.
- Ordered PG&E to make enhancements to its Public Safety Power Shutoff process.
- Ordered PG&E to create a mobile app for customers to report electric infrastructure safety concerns.
- Established standards, scope, and expectations for the Independent Safety Monitor that will provide safety monitoring information to the CPUC beginning in February 2022, also a condition of approving PG&E's plan for existing bankruptcy in May 2020.

- Continual monitoring of PG&E's safety enhancement actions ordered in a CPUC 2012-2017 natural gas system locate and mark investigation.
- Continual monitoring of PG&E's safety enhancement actions ordered in a CPUC 2017-2018 wildfires investigation.
- Ongoing monitoring and reporting of PG&E's safety culture ordered in a 2015 investigation following PG&E's 2010 natural gas transmission pipeline explosion in San Bruno.

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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