



California Public Utilities Commission
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PRESS RELEASE

Docket #: Res. ALJ-439

CPUC APPROVES \$150 MILLION SETTLEMENT WITH PG&E FOR ZOGG FIRE

SAN FRANCISCO, May 18, 2023 – The California Public Utilities Commission (CPUC) today approved a settlement agreement between the CPUC’s Safety and Enforcement Division (SED) and Pacific Gas and Electric Company (PG&E) for PG&E’s involvement in the 2020 Zogg Fire.

Under the terms of the settlement agreement, PG&E will pay a total of \$150 million - \$10 million will be paid as a penalty to California’s General Fund, and \$140 million in shareholder funds will be invested for new wildfire mitigation initiatives designed to mitigate the risk of similar events occurring in the future. PG&E will also implement several new vegetation management systems in High Fire Risk Areas.

The Zogg Fire was caused when a tree fell on energized conductors owned and operated by PG&E in Shasta County on September 27, 2020. The Zogg Fire burned 56,338 acres, caused four fatalities and one injury, and destroyed 204 structures. SED subsequently opened an investigation and alleged that the tree that caused the fire was not removed in time because of PG&E’s poor recordkeeping.

Under the settlement agreement, PG&E will implement several systems to improve its recordkeeping, including ensuring that every tree prospectively marked for removal is dated and designated with precise GPS coordinates. The \$140 million shareholder-funded initiatives will focus on enhancing vegetation management training and technologies; expanding customer accommodation; improving data management capabilities; and investing in Fire Safety councils, educational institutions, and industry associations. These initiatives aim to reduce the risk of similar incidents and ensure public safety in the future. To ensure the successful implementation of these initiatives, CPUC staff will closely monitor and evaluate PG&E’s progress.

The settlement agreement was reached after SED concluded its investigation and issued an Administrative Enforcement Order. This enforcement tool is one of many included in the CPUC's [Enforcement Policy](#) established in 2020 to better serve Californians through streamlined enforcement actions in lieu of issuing Citations or seeking a formal Order Instituting Investigation. The addition of these tools to the CPUC's enforcement options moved the CPUC's practices more in line with the enforcement practices of many other state and local enforcement agencies.

The Resolution voted on and the related documents are available at www.cpuc.ca.gov/regulatory-services/enforcement-and-citations.

The CPUC has taken many actions to hold PG&E accountable for safely serving its customers, including:

- Issued a \$132,500 [Staff Citation](#) for safety violations related to the 2021 Brewer Fire.
- Issued an Administrative Enforcement Order penalizing PG&E \$12 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 the [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 enhance 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 settlement of the CPUC 2017-2018 wildfires investigation.
- 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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