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PRESS RELEASE

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

# **CPUC Staff Propose \$45 Million Penalty for PG&E Over Dixie Fire**

SAN FRANCISCO, Oct. 9, 2023 – The California Public Utilities Commission (CPUC) today issued a staff proposal that seeks CPUC Commissioner approval for a \$45 million penalty against Pacific Gas and Electric Company (PG&E) in connection with the 2021 Dixie Fire.

### **Proposed Penalty Breakdown**

Under the proposed Administrative Consent Order (ACO) and Agreement, PG&E would pay a \$45 million shareholder-funded penalty consisting of:

- \$2.5 million fine to the California General Fund,
- \$2.5 million payment to tribes impacted by the Dixie Fire for remediations, and
- \$40 million for capital expenditures to transition records to electronic format.

CPUC enforcement staff is recommending this penalty under an ACO and Agreement, in-line with its commitment to safety, as outlined in the <u>Enforcement Policy</u> adopted in November 2020. This approach streamlines enforcement actions for the benefit of Californians.

The Dixie Fire, which started on July 13, 2021, resulted from a tree falling on PG&E's electrical distribution lines, burning more than 963,000 acres in multiple counties.

The proposed settlement will be on the CPUC's Nov. 16, 2023, Voting Meeting agenda. The CPUC may adopt, reject, or modify the proposal. Comments can be sent to Martha Perez at Martha.Perez@cpuc.ca.gov and Anthony Noll at Anthony.Noll@cpuc.ca.gov.

#### **Additional Background**

The proposed ACO and the draft Resolution adopting the settlement are available on the CPUC's website under Administrative Consent Orders.

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

- Penalized PG&E \$150 million for the 2020 Zogg Fire.
- Issued a \$132,500 Staff Citation for safety violations related to the 2021 <u>Brewer Fire</u>.
- Penalized PG&E \$1 million for the 2019 Easy Fire.
- Penalized PG&E \$125 million for the 2019 Kincade Fire.
- Issued an Administrative Law Judge decision penalizing PG&E \$106 million for violating guidelines during Fall 2019 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.
- Issued a \$2.5 million Citation to PG&E for incomplete distribution pole inspections in 2019 that violated the requirements of CPUC regulations.
- 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.
- 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 an Independent Safety Monitor.

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## **About the California Public Utilities Commission**

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.