



# CPUC Fact Sheet

## PG&E Vegetation Management Spending

### Spending on Vegetation Management approved in recent General Rate Cases:

- Pacific Gas and Electric Company (PG&E) receives authorization for funding for vegetation management in their General Rate Cases (GRCs), with new authorization every three years. The [authorizations](#) for spending from 2007 through 2019 are contained in [Decision 07-03-044](#), [Decision 11-05-018](#), [Decision 14-08-032](#), and [Decision 17-05-013](#).
- The GRCs approve spending for broad categories of funding, such as “vegetation management” and occasionally for specific projects if requested by the utility.
- Spending for vegetation management is tracked in a “one way balancing account,” which means that if the utility does not spend all the authorized funds, the unused funds are returned to consumers. The utility cannot divert the funds to other spending areas or to profits.
- Of the \$150.4 million spent so far in 2017 on vegetation management, \$15.6 million has been spent in the North Coast Division (containing Sonoma, Humboldt, and Mendocino Counties) and \$4.7 million has been spent in the North Bay Division (Napa, Marin, and parts of Solano Counties).

*Table showing 2011-2017 history of PG&E annual spending (\$ million) on vegetation management*

	PG&E Requested	CPUC Authorized	PG&E Spent
<b>2017</b>	\$201.0	\$201.0	\$150.4 YTD
<b>2016</b>	\$198.8	\$198.8	\$198.7
<b>2015</b>	\$194.2	\$194.2	\$194.1
<b>2014</b>	\$190.0	\$190.0	\$189.7
<b>2013</b>	\$180.0	\$161.5	\$161.6
<b>2012</b>	\$180.0	\$161.5	\$161.5
<b>2011</b>	\$180.0	\$161.5	\$161.6



## **Direction to PG&E to Take Increased Efforts to Reduce Fire Risk due to Drought Emergency**

- June 2014: The California Public Utilities Commission (CPUC) directed PG&E to take remedial measures to reduce fires given the Governor's drought declaration of January 2014 ([Resolution ESRB-4](#)), and allowed PG&E to seek recovery of these incremental costs outside of the GRC process. This additional funding was on top of vegetation management funding already authorized in the GRCs.
- April 2016: The CPUC granted PG&E recovery of \$26.2 million in for drought related expenditures for major fire risk mitigation activities in 2014, (i.e., enhanced vegetation inspection/mitigation, wild land urban interface protection, high fire risk tree identification/mitigation, fuel reduction, emergency response access, detection of forest disease/infection, and early detection and response to wildfires). (See [D.16-04-004](#) in [A.15-05-016](#).)
- November 2016: PG&E filed [A.16-10-019](#) seeking, among other things, \$34 million for activities in 2015 responding to the Drought Declaration and ESRB-4 regarding enhanced fire risk mitigation/vegetation management activities. This request is still pending at the CPUC.
- The CPUC expects PG&E to file a new application in late 2017 seeking recovery of drought-related expenditures for incremental fire risk mitigation activities undertaken in 2016.

Although the Governor issued an Executive Order in April 2017 ending the Drought State of Emergency, the declaration directed state agencies “to continue response activities that may be needed to manage the lingering drought impacts to people and wildlife”. The California Tree Mortality State of Emergency issued in October 2015 by Governor Brown regarding the bark beetle infestation and resulting tree mortality remains in effect. The CPUC has not rescinded ESRB-4, and work by the utilities to comply with it and the Tree Mortality Emergency continues.

