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Docket #: Res. M-4855

CPUC Releases Third Report from Independent Safety Monitor

Latest Report Shows Progress and Challenges in PG&E's Safety Performance

SAN FRANCISCO, Oct. 12, 2023 - The California Public Utilities Commission (CPUC) today released the third report from the <u>Independent Safety Monitor (ISM)</u> assigned to review and assess Pacific Gas and Electric Company's (PG&E) operations. The latest report shows progress and challenges in PG&E's safety performance since the enhanced oversight began in 2020, following PG&E's bankruptcy.

The ISM operates independently and reports its observations of PG&E's safety practices to the CPUC and the public every six months. Key observations from the report include:

- A substantial reduction in ignitions on PG&E-defined "fire weather days;"
- Mixed progress in PG&E's Enhanced Powerline Safety Settings (EPSS) program for reducing outages;
- Consistency and quality issues in PG&E's vegetation management practices, with further investigation needed;
- Greater efficiency of the EPSS Program in mitigating wildfire risk compared to Enhanced Vegetation Management.

The ISM's assessment complements the CPUC's ongoing efforts to prioritize and enforce risk reduction measures within PG&E. This assessment includes evaluations of safety operations, risk identification and mitigation, and record management systems.

Read the report and learn more about steps the CPUC is taking to hold PG&E accountable for safely serving its customers on the CPUC's website.

Independent monitoring will continue through 2027

As a condition to <u>approving</u> PG&E's plan for exiting bankruptcy in May 2020, the CPUC required PG&E's shareholders to fund an ISM to succeed the Federal Monitor that had been appointed in connection with PG&E's criminal probation. The Federal Monitor's term concluded in January 2022. By establishing the ISM, the CPUC enhanced its safety oversight of PG&E. The ISM is an independent consultant that was selected through a competitive bid process. The ISM will serve for five years.

Below is a recap of the CPUC's recent actions to hold PG&E accountable for safely serving its customers, including:

- Issued a staff proposal that seeks CPUC Commissioner approval for a \$45 million penalty against PG&E in connection with the 2021 <u>Dixie Fire</u>.
- Penalized PG&E \$150 million for the 2020 Zogg Fire.
- Issued a \$132,500 Staff Citation for safety violations related to the 2021 Brewer Fire.
- 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.

