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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric
Company for Authority to Establish the
Wildfire Expense Memorandum Account

(U 39 E)

Application 17-07-_____

**APPLICATION OF
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
FOR AUTHORITY TO ESTABLISH
THE WILDFIRE EXPENSE MEMORANDUM ACCOUNT**

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Dated: July 26, 2017

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I. INTRODUCTION

Pursuant to California Public Utilities Code Section 701¹ and Rule 2.1 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC) Pacific Gas and Electric Company (PG&E) submits this application requesting authority to establish the Wildfire Expense Memorandum Account (WEMA) to track incremental unreimbursed wildfire liability costs.² As discussed below, PG&E has modeled its proposed WEMA tariff language on that previously approved for PG&E on an interim basis in Resolution E-4311.³ The relief sought in this application is consistent with the Commission’s prior authorization for an ongoing memorandum account for San Diego Gas and Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) in Decision (D.) 12-12-029.

PG&E does not seek authorization to recover any costs in this application—only to track costs in a memorandum account. Therefore, PG&E requests that the Commission grant the relief sought on an expedited basis consistent with the Commission precedents discussed below.

¹ All statutory references in this Application are to the California Public Utilities Code unless otherwise noted.

² This application does not address other issues beyond the scope of the wildfire memorandum account PG&E requests here, such as other general liability risks that may exceed the utility’s insurance coverage. PG&E may choose to raise such issues with the Commission at a later time as appropriate.

³ Attachment A is PG&E’s proposed WEMA-E and WEMA-G preliminary statements.

Concurrently with this application, PG&E also files an accompanying motion pursuant to Rule 11.1 of the CPUC Rules of Practice and Procedure requesting that the WEMA be deemed effective as of the date of this filing such that PG&E may begin recording costs to the account during the pendency of the Commission's disposition of this application.⁴

II. STATEMENT OF RELIEF AND AUTHORITY SOUGHT

The effects of the California drought continue to be far reaching, particularly with respect to wildfire risk across the state. While utilities generally carry insurance coverage for wildfire claims, it is possible that the amount of insurance will be insufficient, particularly given the increased wildfire risk caused by the drought conditions. For this reason, PG&E seeks to establish the WEMA.

Heightened fire risk also remains particularly problematic for utilities due to California's law of inverse condemnation, which allows plaintiffs to sue private utilities and recover for property and other damages caused by utility facilities without needing to establish negligence. For example, last month, the Superior Court for the County of Sacramento ruled that the doctrine of inverse condemnation applied to PG&E with respect to the Butte Fire.⁵ That ruling essentially makes PG&E liable for all property damage associated with claims in the litigation.

The state policy underlying inverse condemnation is to shift the cost of property losses caused by certain public improvements away from individual property owners who may be disproportionately affected and onto state actors who provide those public improvements.⁶ The premise for doing so is that

⁴ Motion of Pacific Gas and Electric Company (U 39 E) Requesting an Order Setting the Effective Date of the Wildfire Expense Memorandum Account (filed July 26, 2017).

⁵ Attachment B is the June 22, 2017 Ruling on Submitted Matter: Inverse Condemnation Motions, Butte Fire Cases, Case No: JCCP 4853, Superior Court of California for the County of Sacramento (June 22, 2017 Ruling).

⁶ See, e.g., *Holtz v. Superior Court*, (1970) 3 Cal. 3d 296, 303:

"The decisive consideration is whether the owner of the damaged property if uncompensated would contribute more than his proper share to the public undertaking." In other words, the underlying purpose of our constitutional provision in inverse--as well as ordinary--condemnation is "to distribute throughout the community the loss inflicted upon the individual by the making of

state actors who provide those improvements for the general benefit of society also have the ability to socialize those costs among society broadly (i.e., through their taxing authority).⁷ Despite the fact that private utilities such as PG&E do not have taxing authority, the courts have applied inverse condemnation liability noting that private utilities are able to socialize those costs through rates.⁸

The relief sought in this application is consistent with prior Commission guidance from Application (A.) 09-08-020. In Resolution E-4311, the Commission authorized a WEMA on an interim basis for PG&E, which was discontinued when PG&E withdrew from that application. However, in D.12-12-029, the Commission ultimately authorized an ongoing WEMA for San Diego Gas and Electric Company (SDG&E) and Southern California Gas Company (SoCalGas), allowing them to track incremental, unreimbursed wildfire liability costs so they could later seek recovery of those costs. PG&E seeks the same relief here—the implementation of an ongoing WEMA to track such costs.

In light of the Superior Court’s ruling applying inverse condemnation liability in the Butte Fire civil litigation, PG&E intends to begin recording Butte Fire costs to the WEMA upon its implementation. PG&E requests that the Commission grant the relief requested in this application on an expedited basis and believes such request to be consistent with Commission precedent. For example, in A.10-08-002, the Commission authorized a memorandum account related to Assembly Bill (AB) 32 implementation costs via an application process without requiring evidentiary hearings.⁹ More recently, in A.17-04-027, the Commission authorized a memorandum account for SDG&E through

public improvements" (*Bacich v. Board of Control* (1943) 23 Cal. 2d 343, 350 [144 P.2d 818]): "to socialize the burden ... --to afford relief to the landowner in cases in which it is unfair to ask him to bear a burden that should be assumed by society" (Mandelker, *Inverse Condemnation: The Constitutional Limits of Public Responsibility*, 1966 *Wis.L.Rev.* 3, 8)."

⁷ *Pac.Bell.Tel.Co. v. So.Cal.Ed.*, (2012) 208 Cal. App. 4th 1400, 1407.

⁸ See, e.g., Attachment B, pp. 16-17, citing *Pac.Bell* at 1407.

⁹ D.10-12-026.

Administrative Law Judge (ALJ) ruling on a motion filed concurrently with its Application for Authority to Implement the Customer Information System Replacement Program.¹⁰ In both cases, the Commission granted the relief on an expedited basis and without conducting evidentiary hearings, noting that authority to establish a memorandum account does not prejudice the appropriateness of the costs tracked for future recovery.

Such is the case here. PG&E does not seek to prejudice the appropriateness for recovery of any costs recorded to the memorandum account for recovery through this application. The purpose of this application is simply to allow PG&E a regulatory mechanism to record incremental unreimbursed costs, thereby preserving its ability to seek Commission review and recovery of those costs through subsequent application without running afoul of retroactive ratemaking concerns.

III. REASONS FOR REQUESTED RELIEF

A. Ongoing Effects of the Drought Continue to Create an Increased Risk of Wildfire in California

Over the past five years, record-setting drought conditions have increased fire danger. On January 17, 2014, Governor Brown proclaimed a State of Emergency in California and directed state officials to take actions to mitigate against conditions resulting from the drought, including increased fire risk.¹¹ On April 25, 2014, Governor Brown issued another State of Emergency proclamation concerning the drought, providing assistance to landowners with disposal of dead, dying and diseased trees to mitigate against the heightened fire risk.¹²

While those drought proclamations have since largely been lifted, the cumulative effects of a 5-year drought and its aftermath continue today, resulting in widespread vegetation mortality—particularly

¹⁰ A.17-04-027, Administrative Law Judge’s Ruling Granting Motion to Establish Customer Service Information Memorandum Accounts (May 30, 2017).

¹¹ <https://www.gov.ca.gov/news.php?id=18379>.

¹² <https://www.gov.ca.gov/news.php?id=18496>.

in the low-to mid-elevation conifer stands of the central Sierra.¹³ On October 30, 2015, Governor Brown issued a State of Emergency stating that the severe drought conditions and resulting bark beetle infestations have resulted in vast tree mortality, worsening wildfire risk across regions of the state.¹⁴ This state of emergency remains in effect.

While there are always background levels of tree mortality in ecosystems, usually hovering around 1-3 percent, 2016 proved extraordinary. In 2014 the United States Forest Service (USFS) estimated there were about 3.3 million dead trees on its lands in the southern portion of California.¹⁵ By October 2015, the USFS estimate rose to 29 million dead trees statewide.¹⁶ By June 2016, the number was 66 million.¹⁷ The USFS revised its estimate again in November 2016 to over 102 million dead trees.¹⁸ Nevada, Placer, El Dorado, Amador, Calaveras, Tuolumne, Mariposa, Madera, Fresno, and Tulare counties were hit the hardest, and mortality reached nearly 100 percent of all mature pine trees in many areas.¹⁹

The drought and bark beetles have caused severe mortality rates that contribute to an increased fire risk. The California Department of Forestry and Fire Protection (Cal Fire) reports that 5,143 fires occurred in 2015, which burned about 307,598 acres.²⁰ The 2015 fires were much more intense than

¹³ https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd543943.pdf.

¹⁴ https://www.gov.ca.gov/docs/10.30.15_Tree_Mortality_State_of_Emergency.pdf.

¹⁵ https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3841372.pdf, p.5.

¹⁶ https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd484908.pdf, p.3, “Survey Highlights”.

¹⁷ <https://www.fs.fed.us/news/releases/forest-service-survey-finds-record-66-million-dead-trees-southern-sierra-nevada>.

¹⁸ <https://www.usda.gov/media/press-releases/2016/11/18/new-aerial-survey-identifies-more-100-million-dead-trees-california>.

¹⁹ https://www.fs.usda.gov/Internet/FSE_DOCUMENTS/fseprd543943.pdf, p. 12.

²⁰ http://cdfdata.fire.ca.gov/incidents/incidents_stats?year=2016.

usual. For example, according to Cal Fire, the Valley Fire that started on September 15, 2015, caused four fatalities, consumed 76,000 acres, destroyed 1,281 homes, 27 multi-family structures, 66 commercial properties, and 581 other minor structures, making it the third most destructive fire in California history.²¹

In 2016, Cal-Fire reports that 5,762 fires occurred burning 147,373 acres.²² Even though the number of fires was about 961 more than the 5-year average, the fact that the acreage was held to 18,000 less than the 5-year average is a testament to Cal-Fire's fire suppression efforts.

The 2017 fire season, while starting quietly until early June, has now become severe. As of July 19, 2017, about 3,222 fires have ignited, burning about 112,990 acres according to Cal Fire.²³ The winter rains, while welcome, led to rapid and deep grass and brush growth, which is now contributing to increased fire risk as it dries.²⁴

B. The State Policy of Holding Utilities Liable for Wildfire Property Damage Further Increases Financial Risk Associated with Wildfire for Utilities

Combined with the ongoing effects of the drought, the financial risk of wildfires for utilities such as PG&E is further magnified by a California state policy that often holds private utilities liable for property and other damages caused by utility facilities without requiring plaintiffs to show that the utility was negligent. Under the California constitution, private parties are entitled to compensation when their property is damaged for public use.²⁵ This right has given rise to a cause of action in “inverse condemnation” by a private plaintiff against a government entity or a state actor that has taken

²¹ http://www.fire.ca.gov/communications/downloads/fact_sheets/Top20_Destruction.pdf.

²² http://cdfdata.fire.ca.gov/incidents/incidents_stats?year=2016.

²³ http://cdfdata.fire.ca.gov/incidents/incidents_stats?year=2017.

²⁴ http://www.fire.ca.gov/communications/downloads/WAW/WAWNewsRelease_2017.pdf.

²⁵ Cal. Const., Art. 1, § 19.

private property without compensation. In short, “[a]n inverse condemnation action is an eminent domain action initiated by one whose property was taken for public use, as opposed to by the condemning public agency.”²⁶ This is a legal theory that does not require a plaintiff to make a showing of negligence on the part of the state actor to recover damages.

The California Courts of Appeal have ruled that inverse condemnation liability applies to private utilities, likening them to state actors. Specifically, the courts have noted that a privately owned utility is a “monopolistic or quasi-monopolistic authority, deriving directly from its exclusive franchise provided by the state,” to whom the state delegated the obligation to provide vital public services.²⁷ Notwithstanding their lack of taxing authority, the court found this policy justification to be appropriately applied to privately owned utilities because they could socialize such costs through rates.²⁸

For example, the Superior Court for the County of Sacramento ruled that the doctrine of inverse condemnation applied to PG&E with respect to the Butte Fire,²⁹ which essentially makes PG&E liable for all property damage associated with claims in the coordinated proceeding. PG&E maintains that it was not negligent in connection with the Butte fire.³⁰ In applying inverse condemnation, the court considered and rejected arguments presented that the cost-sharing policy underlying inverse condemnation does not apply because a private utility lacks the power to spread the

²⁶ *Barham v. Southern Cal. Edison Co.*, (1999) 74 Cal. App. 4th 744, 752; *citing Belmont County Water Dist. v. State of California* (1976) 65 Cal. App. 3d 13, 19, fn. 3 [135 Cal. Rptr. 163].)

²⁷ *Pac.Bell*, 208 Cal. App. 4th at 1407.

²⁸ *Ibid.*

²⁹ See Attachment B.

³⁰ Outside of the civil litigation, the Commission issued citations to PG&E under CPUC General Order 95 related to the Butte Fire. PG&E paid the fines associated with those citations, but maintains it was not negligent in connection with the Butte Fire.

cost of condemnation across the benefitted public.³¹ The court also noted that other courts have previously rejected those arguments and have found no evidence that the Commission would not allow the utilities to socialize such costs. The court stated:

In *Pacific Bell*, Southern California Edison ("SCE") similarly argued the loss-spreading rationale underpinning inverse condemnation liability did not apply to it because as a public utility it did not have taxing authority and could only raise rates with the approval of California's Public Utilities Commission. But the Court noted the government's delegation to SCE the right and obligation to provide a vital public interest (electricity) did "not remove the policy justifications underlying inverse condemnation liability: that individual property owners should not have to contribute disproportionately to the risks from public improvements made to benefit the community as a whole. (*Belair v. Riverside County Flood Control Dist.* (1988) 47 Cal.1.3d 550, 558)." (*Pacific Bell*, supra, 208 Cal. App. 4th at p. 1407.)

The court also noted SCE had not pointed to any evidence supporting its implication the PUC would not allow it adjustments to pass on damage liability during its periodic reviews. (*Pacific Bell*, supra, 208 Cal. App. 4th at p. 1407.)

Such evidence is similarly lacking here.³²

The Commission has acknowledged the application of this state policy to the investor-owned utilities stating, "[u]nder California law, a successful inverse condemnation claim results in a party paying for property damage and the costs are to be socialized via rates."³³ As such, PG&E intends to record costs related to the Butte Fire litigation in the WEMA to preserve its ability to socialize those costs as appropriate through a future application.

C. The Commission Has Previously Authorized an Ongoing WEMA for San Diego Gas and Electric Company and Southern California Gas Company

In A.09-08-020, SDG&E, PG&E, SCE, and SoCalGas requested Commission authorization to

³¹ Attachment B, at p. 16.

³² *Id.* at pp. 16-17.

³³ D.15-11-021, Decision on Test Year 2015 General Rate Case for Southern California Edison Company, p.305, *mimeo.*

establish a balancing account to allow each utility to recover from ratepayers costs paid by the utility arising from wildfires. The Commission approved memorandum accounts to record incremental wildfire costs as an interim step responding to the utilities' request for formal balancing accounts.³⁴

PG&E and SCE ultimately withdrew from A. 09-08-020. SDG&E and SoCalGas remained in the proceeding. The Commission ultimately denied their request for a wildfire balancing account, but continued their wildfire memorandum account established in Resolution E-4311.³⁵ In his concurrence, Commissioner Simon described that as an equitable result, stating:

To eliminate WEMA would have been unnecessarily punitive against SDG&E and SoCalGas (the applicants). This is because WEMA is only a tracking mechanism that requires a subsequent reasonableness review that remains in place as standard practice of rate recovery regulatory design. Therefore, there is no blank check or guaranteed recovery for the applicants.³⁶

As part of PG&E's and SCE's motion to withdraw from the application, they requested continuation of their memorandum accounts. The Assigned Commissioner denied the utilities' request, but acknowledged the utilities right to use alternative procedural means to request such accounts. Specifically, Assigned Commissioner Simon stated:

As Resolution E-4311 shows, the Commission relied on the [utilities] wildfire balancing account proposal as the justification for creating the memorandum account. Having withdrawn from the balancing account proposal, PG&E and Edison have removed the justification for the memorandum account. Consequently, I cannot conclude that the Commission's Resolution E-4311 can be properly extended to a stand-alone wildfire expense memorandum account as proposed by PG&E and Edison. The utilities, however, have numerous alternative procedural means apart from this proceeding to seek Commission authorization for such accounts.³⁷

PG&E now seeks such relief through this application.

³⁴ Resolution E-4311 (July 29, 2010).

³⁵ D.12-12-029, p. 17, Conclusion of Law 2, Ordering Paragraph 2.

³⁶ *Id.* Concurrence of Commissioner Timothy Alan Simon, p.1.

³⁷ Assigned Commissioner Ruling Granting Motions to Withdraw from A. 09-08-020, dated January 10, 2012.

D. PG&E's Proposed WEMA Is Consistent with That Previously Authorized in Resolution E-4311

PG&E has modeled the proposed WEMA tariff language after that previously approved by the Commission in Resolution E-4311.³⁸ Under the WEMA as proposed, PG&E would record incremental unreimbursed wildfire liability costs including: (1) payments to satisfy wildfire claims, including any deductibles, co-insurance and other insurance expense paid by PG&E, but excluding costs that have already been authorized in the PG&E's General Rate Case (GRC); (2) outside legal costs incurred in the defense of wildfire claims; (3) premium costs not in rates; and (4) the cost of financing these amounts. Insurance proceeds, as well as any payments received from third parties, will be credited to the WEMA as they are received.

Any recovery in rates of costs recorded to the WEMA would be specifically conditioned on authorization by a Commission decision that may be issued in response to a future PG&E application.

The WEMA would exclude costs for which PG&E already has approved cost recovery mechanisms, the Major Emergency Balancing Account (MEBA) and Catastrophic Events Memorandum Account (CEMA) for recording and addressing recovery of costs related to restoration of service and repair of utility facilities,³⁹ which are different from those intended to be tracked in the WEMA. Any costs recoverable through the MEBA and CEMA will be excluded from the WEMA.

³⁸ See Attachment A. In the tariff originally approved in E-4311, PG&E stated that the purpose of the WEMA was to "record costs for later recovery." PG&E has removed the words "for later recovery" from its proposed tariff to clarify that the WEMA does not prejudice the appropriateness of recovery of costs tracked in the account.

³⁹The MEBA records and recovers actual expenses and capital revenue requirements resulting from responding to major emergencies and catastrophic events not eligible for recovery through the CEMA. The CEMA records and recovers costs associated with the restoration of service and PG&E facilities affected by catastrophic events declared a disaster or state of emergency by competent federal or state authorities. Recovery in rates of costs recorded to the CEMA is specifically conditioned on authorization by a Commission decision that is issued in response to an application.

E. PG&E’s Request For Relief on an Expedited Basis is Consistent with Commission Precedent

1. Application 17-04-027

PG&E’s request is consistent with the Commission’s recent authorization of a memorandum account for SDG&E in A.17-04-027—SDG&E’s Application for Authority to Implement the Customer Information System Replacement Program. Concurrently with that application, SDG&E filed a Motion to Establish Customer Information System Memorandum Accounts to Record Customer Information System Replacement Program Costs, pursuant to Rule 11.1 of the CPUC Rules of Practice and Procedure.⁴⁰ SDG&E requested expedited consideration and ruling on its motion.

In its motion, SDG&E discussed the Commission’s long history of authorizing memorandum accounts to avoid retroactive ratemaking issues and that the Commission has described doing so as a “usual practice.”⁴¹ SDG&E also noted the Commission’s guidance that such relief is “fair from the perspective of both ratepayers and shareholders.”⁴²

On May 30, 2017, the Commission granted SDG&E’s motion and authorized the establishment of the memorandum account.⁴³ In granting the motion, the Commission noted that “authority to establish the [memo account] does not mean that cost recovery for the CIS Replacement Program is being authorized as well. Whether or not such cost recovery is appropriate shall be determined in this proceeding.”⁴⁴

PG&E seeks similar relief through this application and concurrently filed Motion Requesting an Order Setting the Effective Date of the Wildfire Expense Memorandum Account.

⁴⁰ Motion to Establish Customer Information System Memorandum Accounts to Record Customer Information System Replacement Program Costs, filed in A.17-04-027 (May 4, 2017).

⁴¹ *Id.* at p. 7, citing D.01-05-064 at 31.

⁴² *Id.*, citing D.03-05-032 at 6.

⁴³ A.17-04-027, Administrative Law Judge’s Ruling Granting Motion to Establish Customer Service Information Memorandum Accounts (May 30, 2017).

⁴⁴ *Id.* at p.2.

2. Application 10-08-002

PG&E's request is also consistent with the Commission's authorization of a memorandum account via application in A.10-08-002 relating to implementation fees for Assembly Bill (AB) 32. On September 27, 2006, Governor Schwarzenegger signed AB 32, which provided that the California Air Resources Board may adopt a fee on Greenhouse Gas emissions to recover its administrative costs associated with implementation. PG&E, SDG&E, SCE and SoCalGas ultimately filed a joint application requesting, among other things, that the Commission authorize the establishment of memorandum accounts to record the expenses incurred to pay the AB 32 Fee. The Commission noted it was not certain those fees would materialize, but still authorized the memorandum account stating, "[s]imply because there is some uncertainty concerning whether and when the fees will be assessed should not prevent a utility from establishing a memorandum account to record such costs in the event they are incurred."⁴⁵ The circumstances are similar here. In that case, the Commission authorized the memorandum account without requiring evidentiary hearings noting that opening the account did not prejudice the appropriateness of any recovery of AB 32 costs recorded to it.⁴⁶

IV. INFORMATION REQUIRED BY THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE

A. Statutory and Other Authority (Rule 2.1)

PG&E files this application pursuant to Section 701 of the California Public Utilities Code; Rule 2.1 of the Commission's Rules of Practice and Procedure; and prior decisions, orders and resolutions of the Commission and other authorities, including but not limited to D.12-12-029; Resolution E-4311; California Constitution Article 1, Article 19; *Pac.Bell.Tel.Co. v. So.Cal.Ed.*, (2012) 208 Cal. App. 4th 1400; June 22, 2017 Ruling on Submitted Matter: Inverse Condemnation Motions, Butte Fire Cases, Case No: JCCP 4853, Superior Court of California for the County of Sacramento.

⁴⁵ D.10-12-026, p.6.

⁴⁶ *Id.* at p.6 and Conclusion of Law 3.

B. Legal Name and Principal Place of Business (Rule 2.1(a))

The legal name of the Applicant is Pacific Gas and Electric Company. PG&E is a corporation organized under the State of California. PG&E's principal place of business is 77 Beale Street, San Francisco, California 94105.

C. Correspondence and Communications (Rule 2.1(b))

All correspondence, communications, and service of papers regarding this Application should be directed to:

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D. Categorization, Hearings, And Issues To Be Considered (Rule 2.1(c))

1. Proposed Categorization

PG&E proposes that this Application be categorized as a ratesetting proceeding pursuant to Commission Rule of Practice and Procedure 1.3(e) and 7.1(e)(2).

2. Need for Hearings

PG&E believes that evidentiary hearings are not required. As discussed above, the Commission has authorized the establishment of memorandum accounts without requiring evidentiary hearings noting that opening of the account itself does not prejudice the appropriateness of the costs for recovery. That is the case here. PG&E would submit any request for cost recovery for Commission review and approval through subsequent application.

3. Issues to Be Considered

The issue presented in this Application is as follows:

1. Should the Commission authorize PG&E to establish the WEMA to track incremental unreimbursed wildfire costs to preserve PG&E's ability to seek recovery of those costs in a future application?

E. Procedural Schedule

As discussed above, the Commission has previously authorized establishment of memorandum accounts on an expedited basis and without conducting evidentiary hearing including recently in an ALJ ruling on an SDG&E motion seeking similar relief. PG&E seeks no cost recovery through this application and believes that hearings are likewise not necessary here. PG&E therefore proposes the following expedited schedule, which includes shortened time for the protest period and potential for shortened time or waiver of comment periods for Proposed Decisions if appropriate.

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| <u>Date</u> | <u>Event</u> |
|-----------------------------|---|
| July 26, 2017 | PG&E files Application and Motion Requesting an Order Setting the Effective Date of the Wildfire Expense Memorandum Account |
| July 27, 2017 ⁴⁷ | Notice of Application appears in Daily Calendar |
| August 14, 2017 | Last Day to File Response to Motion |
| August 14, 2017 | Last Day to File Protests |
| August 21, 2017 | Last Day for Reply to Response to Motion (if necessary) |
| August 21, 2017 | Last Day for Reply to Protests (if necessary) |
| September 2017 | <ul style="list-style-type: none"> • Prehearing Conference (if necessary) • Proposed Decision on Motion Requesting an Order Setting the Effective Date of the Wildfire Expense Memorandum Account. (if uncontested, waive comment period) |
| October 2017 | <ul style="list-style-type: none"> • Final Decision on Motion (if comment period waived) • Proposed Decision on Application (waive or shorten time for comments if appropriate) |
| November 2017 | <ul style="list-style-type: none"> • Final Decision on Motion (if regular comment period) • Final Decision on Application (if comment period waived or shortened) |
| December 2017 | Final Decision on Application (if regular comment period) |

F. Articles of Incorporation (Rule 2.2)

PG&E is, and since October 10, 1905, has been, an operating public utility corporation organized under California law. It is engaged principally in the business of furnishing electric and gas services in California. A certified copy of PG&E's Restated Articles of Incorporation, effective April 12, 2004, was filed with the Commission on May 3, 2004, with PG&E's Application 04-05-005. These articles are incorporated herein by reference.

⁴⁷ PG&E assumed this date for purposes of providing a proposed schedule. Changes to this date will affect the specific dates provided below.

G. Safety (Rule 2.1(c))

In D.16-01-017, the Commission adopted an amendment to Rule 2.1(c) requiring applications to clearly state “relevant safety considerations.” PG&E does not view this application as having a safety impact as it is simply a request for a memorandum account to track costs.

V. CONCLUSION

Wherefore, PG&E respectfully requests that the Commission:

1. Issue a decision on this application: (1) authorizing PG&E to establish the WEMA to track incremental unreimbursed wildfire costs to preserve its right to seek recovery of those costs through a future application; and (2) approving PG&E’s proposed WEMA-E and WEMA-G tariffs; and
2. Issue an order on PG&E’s concurrently filed Motion Requesting an Order Setting the Effective Date of the Wildfire Expense Memorandum Account, establishing the WEMA effective date as the date of this filing.

Respectfully submitted,
MICHAEL R. KLOTZ

By: /s/ Michael R. Klotz
MICHAEL R. KLOTZ

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Dated: July 26, 2017

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

VERIFICATION

I, David Thomason, say:

I am an officer of Pacific Gas and Electric Company, a corporation, and am authorized pursuant to Rule 2.1 and Rule 1.11 of the Rules of Practice and Procedure of the CPUC to make this Verification for and on behalf of said corporation, and I make this Verification for that reason. I have read the foregoing Application and I am informed and believe that the matters therein concerning Pacific Gas and Electric Company are true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at San Francisco, California, this 26th day of July, 2017.

/s/ David Thomason
DAVID THOMASON
Vice President, Controller,
Utility Chief Financial Officer