

## FOR IMMEDIATE RELEASE

PRESS RELEASE

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## CPUC STAFF PROPOSE PENALTIES FOR PG&E'S INVOLVEMENT IN ZOGG FIRE

SAN FRANCISCO, Oct. 25, 2022 – The California Public Utilities Commission (CPUC), in ongoing efforts to hold utilities accountable for causing catastrophic wildfires, today issued a proposed Order imposing corrective actions and \$155.4 million in fines to be paid by the shareholders of Pacific Gas and Electric Company (PG&E) for violations related to the 2020 Zogg Fire.

The proposed Administrative Enforcement Order is issued under the CPUC's <u>Enforcement Policy</u>, which was adopted in November 2020 to better serve Californians through expeditious and efficient enforcement actions that can be taken by CPUC staff.

Under the Administrative Enforcement Order, PG&E has 30 days either to agree to pay the required penalty upon the CPUC's adoption of a Final Order and complete corrective actions within 45 days from issuance of the Final Order, or to request a hearing.

On September 27, 2020, a gray pine tree near the town of Igo in Shasta County fell onto a PG&E electric distribution line. The tree's contact with the line started the Zogg Fire, which burned 56,338 acres, caused four fatalities and one injury, and destroyed 204 structures and damaged 27 more. The Safety and Enforcement Division's investigation of the 2020 Zogg Fire uncovered multiple violations of CPUC General Orders. The Administrative Enforcement Orders issued today address these violations through fines and corrective actions.

The Administrative Enforcement Orders issued today and related documents are available at <a href="https://www.cpuc.ca.gov/regulatory-services/enforcement-and-citations">www.cpuc.ca.gov/regulatory-services/enforcement-and-citations</a>.

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

- 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 <u>citation</u> 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 <u>Fast Trip</u> program.
- Placed PG&E into the first step of the <u>Enhanced Oversight and Enforcement</u> 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 <u>fact-finding</u> 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 <u>public briefing</u>.
- Ordered PG&E to enhance its <u>Public Safety Power Shutoff</u> 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.
- Ongoing 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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