

October 23, 2019

President Marybel Batjer
Commissioner Liane Randolph
Commissioner Martha Guzman Aceves
Commissioner Clifford Rechtschaffen
Commissioner Genevieve Shiroma
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

**Re: Joint Local Governments' Response to PG&E's Presentations During
the October 18, 2019 Emergency Meeting**

Dear President Batjer and Honorable Commissioners:

The Counties of Mendocino, Napa, San Luis Obispo, Santa Barbara, and Sonoma, and the City of Santa Rosa (the Joint Local Governments) greatly appreciate the Commission's initiative in directing PG&E to make immediate improvements to its de-energization practices following the October 9, 2019 PSPS event and in requiring PG&E's executives to account for the failures of its de-energization program during the October 18 emergency Commission meeting. The Commission's Staff Proposal and Decision 19-05-042 in Phase 1 of the de-energization Rulemaking, as well as the Commission's response to PG&E's de-energizations in 2019, show that the Commission is listening to local governments and their residents. The majority of PG&E's presentation on October 18 shows that the utility's management has never heard our requests, or has chosen to ignore them. We believe it is necessary to address a number of the purported corrective measures PG&E has put forth since the October 9 de-energization, as they will not, contrary to PG&E's assertions, move the utility closer to having a functional de-energization program.

Professional Emergency Management

PG&E *must* hire a professional emergency manager to take charge of the de-energization program. That person should be of CalFire-caliber, with experience in managing large-scale natural disasters. There is no way around this necessity. It has to be done. This observation comes from the professional emergency managers in PG&E's service territory who have suffered through PG&E's attempts to orchestrate a de-energization, and who regularly work with the consummate professionals at CalFire and other emergency response agencies. Most of PG&E's de-energization failures are self-inflicted wounds; as the Commission noted, PG&E has

failed to take advantage of the expertise and recommendations offered to it by a number of professional emergency management and response agencies.¹

PG&E's current plan to continue relying on Price Waterhouse Cooper and Cadmus "to scale a response and assist with problem solving" and to also hire Accenture, a large consulting company, to focus on "crisis management and event response"² is unacceptable and shows the utility's continued failure to grasp the fact that it is now in the emergency management business. Emergency management is a specific field with specific requirements and guiding principles. If PG&E simply continues to rely on its corporate risk-management consultants—who have failed to provide any observable benefit to PG&E's de-energization program so far—PG&E will continue to botch de-energization events.

PG&E *must* hire a professional emergency manager. That requirement cannot be emphasized enough.

Failure to Meet the Needs of Vulnerable Customers

The October 9 de-energization illustrated what the local governments and the advocates for AFN and under-served individuals have long been saying: extended power outages place peoples' lives at risk. While it may be true that PG&E is not in the medical services business, PG&E does have an obligation to understand its customers' needs and to understand the implications of leaving individuals without power for close to a week—and to implement measures that will help prevent harm to those people. The discussion on October 18 from PG&E's executives did not instill confidence that PG&E has yet grasped the seriousness or the enormity of this task, nor did there appear to be any substantive improvements in PG&E's response to the Commission's October 14 letter. Mr. Michael Lewis admitted that PG&E's outage benchmark of *five days*—for which the utility drilled to ensure its *operations* were up to scratch—was too long. There is no indication that PG&E has ever considered what a five-day outage, during which time the utility expected not to need mutual aid assistance, would mean for its vulnerable customers. PG&E's mantra of personal responsibility and preparedness has been shown to be insufficient, particularly where accurate information is not readily available, where the utility does not establish accessible Community Resource Centers (CRC), where the CRC hours are insufficient to support the charging times for medical device batteries, and where there is no guarantee that AFN customers, if notified, will have access to transportation or a suitable destination.

Beyond coordinating with local governments and community-based organizations to better identify and notify the entire AFN population in a given jurisdiction, PG&E must work with its communities to understand the specific needs of its customers and must provide resources to the agencies that are in a better position to ensure those customers are cared for. What are the electricity needs and practical implications for bottled oxygen, CPAP devices, wheel chair lifts, backup batteries for all types of medical devices, and refrigerated medication?

¹ President Batjer's October 14, 2019 Letter to PG&E, p. 2.

² PG&E Response to CPUC October 14 Letter, Attachment A, p. 13, item 6(a).

What resources need to be stockpiled or procured in advance? Where can CRCs be located to ensure they are accessible and useful to AFN individuals? With whom should PG&E partner to ensure that AFN customers' needs are met? As a fundamental part of understanding its AFN customers' needs, the Joint Local Governments support the recommendation made by Ms. Deborah Kaplan during the October 18 meeting that PG&E and other entities sit down with members of the AFN community to understand the gaps in the de-energization program and to hear solutions that will actually work for those individuals' needs.

On October 22, the Joint Local Governments saw a short news clip from ABC7 News in which Ms. Laurie M. Giammona, PG&E's Senior Vice President and Chief Customer Officer, responded to the reporter's question about what resources PG&E planned to provide for medically vulnerable customers by saying that the utility would pay for transportation, hotel rooms, and backup batteries, if necessary.³ The Joint Local Governments support this commitment and hope that PG&E's promises become reality. The Commission should require an accounting from PG&E after the October 23 de-energization event of how many customers requested and received this type of support, as well as a plan for creating a more formal program for providing services during future PSPS events.

Coordination with Local Governments

Before focusing on the shortcomings of the purported corrective measures presented by PG&E on October 18, some words of praise are in order. Aaron Johnson, PG&E's Vice President of Customer Energy Solutions, has been working directly with the Joint Local Governments' emergency managers, starting in April 2019 and with increasing frequency since late August, to better understand their informational needs and to identify improvements to PSPS event operations. What improvements we have seen to the timing and substance of PG&E's PSPS-related communications with local governments we believe are attributable to Mr. Johnson. Given PG&E's institutional indifference to local governments' needs, we do not lay a charge of "too little, too late" at Mr. Johnson's feet for the failure of the de-energization program. Of all the executives and Board members who accounted for the utility's PSPS performance on Friday, Mr. Johnson is the only one with any first-hand understanding of what PG&E's communities have been asking for. It appeared from many of the other presentations that our filings and requests have never filtered up to the people who are responsible for ensuring we receive what we need. The Joint Local Governments greatly appreciate Mr. Johnson's efforts and look forward to continuing to work with him and his team.

The Joint Local Governments also expect to have direct conversations with the rest of PG&E's de-energization management, including Mr. Michael Lewis and Mr. Andrew Vesey, who spoke with great conviction about developing an "intimacy" with PG&E's local governments to ensure that the utility fully understands the needs of the communities it serves.

³ Available at: <https://abc7news.com/society/parts-of-bay-area-preparing-for-possible-pg-e-power-shutoffs/5637700/>. The video is in the queue of videos that appear at the top of the article; it is pushed further back in the queue every time a new video is added. The discussion of resources for medical baseline customers appears at 1:42–1:52.

We will keep the Commission apprised of PG&E's success in working directly with us going forward.

While Mr. Vesey, in particular, presented a vision of coordination with local governments that corresponds to the level of communication and partnership that PG&E's local governments have long advocated for, there were a number of solutions discussed on October 18 and in PG&E's response to the CPUC's October 14 letter that will only perpetuate the sub-standard status quo:

- Focusing on improving PG&E's PSPS program through partnership with state agencies, such as CalOES: Mr. Lewis spoke of redoubling efforts to coordinate and integrate with CalOES and other state agencies. As the Joint Local Governments have explained on multiple occasions, emergency management is bottom-up, not top-down. Local governments put boots on the ground when PG&E calls a de-energization; state agencies do not. Any efforts to improve PG&E's PSPS program that do not include close consultation with local emergency managers will not produce a de-energization program that meets local governments' needs.
- Continuing to require nondisclosure agreements for medical baseline information: Despite the Commission's clear directives to provide medical baseline customer information to local governments during a de-energization, regardless of whether the local government has signed a nondisclosure agreement, PG&E proposes to "continue to work with communities to execute non-disclosure agreements for information for advanced planning."⁴ The issue of nondisclosure agreements has been a significant hurdle for local governments' ability to obtain critical de-energization planning information, as many local governments have serious reservations about signing PG&E's agreement. PG&E's proposed end-run around the Commission's order is unacceptable. Not only are local health providers familiar with and obligated to follow HIPAA patient privacy regulations, but local governments regularly safeguard a variety of confidential information in the ordinary course of business.

The Joint Local Governments have experienced some difficulties with obtaining medical baseline customer information during the current October 23 PSPS event. The Commission's directive that PG&E must provide medical baseline information without a nondisclosure agreement had not been communicated to all of the affected local governments' PG&E representatives, nor were PG&E's EOC staff who are responsible for populating the governments' PSPS web portals with information aware of the order; as a result, the information was withheld or delayed. PG&E

⁴ PG&E Response to October 14 Letter, Attachment A, p. 5, item 2(f).

also continues to require local governments to affirmatively request the information be added to their portals. These requests are, as we understand it, supposed to be made either through the local governments' PG&E representative or directly to the EOC via email. The Joint Local Governments have tried both options but have met with little success. Santa Rosa, for instance, sent four requests to the EOC liaison email address and never received a reply or the information. Santa Rosa's PG&E liaison was eventually able to provide the information directly to the City, but the system clearly is not functioning.

- Requiring nondisclosure agreements for critical facilities information: PG&E notes that it currently requires a nondisclosure agreement to provide local governments with information for critical facilities,⁵ the location and contact information for most of which can be found with a Google search. Between the public nature of most critical facilities, and the fact that PG&E has worked with local governments to validate its list of critical facilities and add any additional facilities identified by the government, there is no reason to require a nondisclosure agreement before sharing the information. While PG&E states that it will work with the Commission to determine the process for sharing this information without a nondisclosure agreement, the Joint Local Governments request that the Commission direct the large utilities to simply provide the information on a confidential basis, without a nondisclosure agreement, as with the medical baseline customer information.
- Continuing to call 911 to provide transportation assistance for medical baseline customers: A cornerstone of PG&E's plan for notifying its medical baseline customers of a de-energization is that, if a customer says they have no transportation to a location that will remain energized, PG&E will assist them in calling 911. This plan was reiterated during the October 18 presentations. The Joint Local Governments have explained to the Commission and to PG&E the problems created by this plan. Local governments do not have the emergency response and ambulance resources to ensure that every medical baseline customer who might need transportation will receive it. PG&E stated that approximately 34,500 medical baseline customers were impacted by the October 9 de-energization; even if a small percentage of that number requires emergency services, the counties' and cities' resources will soon be exhausted. PG&E also ignores the costs associated with this plan. The Joint Local Governments are not aware of any medical insurance that waives ambulance fees for PSPS transportation; to the contrary, if the customer is not experiencing a medical emergency, insurance carriers are

⁵ *Id.* at p. 7, item 2(j).

likely to refuse any coverage. Increasing the use of local governments' emergency response resources will also place a financial strain on the local governments. PG&E must find viable alternatives, such as entering into agreements with paratransit and other transportation providers.

As is discussed above, it appears that PG&E has made a commitment to provide transportation, hotel accommodation, and battery backup resources to medically vulnerable customers during the upcoming outage. The Joint Local Governments support this pledge and hope to see it put into action.

- “Leveraging local governments’ resources” to help ensure customer safety during a de-energization: This statement, made on October 18, portends continued failures by PG&E to reach AFN individuals and additional strain on local agencies’ resources. While all parties agree that the medical baseline registry is a poor proxy for the total universe of PG&E’s vulnerable customers, and while all parties agree that PG&E must partner with local governments and community-based organizations that work with AFN individuals, PG&E placing the responsibility for notifying and caring for vulnerable individuals onto local governments impermissibly shifts PG&E’s obligations and will cause significant resource strain for local governments. As is discussed in more detail above, PG&E must continue improving its outreach to AFN customers, and, where the utility cannot provide assistance, must provide resources to the agencies that can.
- Continued lack of commitment to hold table-top exercises with local governments and first responders: On October 18, Mr. Vesey correctly noted that PG&E needs to engage in scenario planning and table-top exercises with local governments. The Joint Local Governments have advocated repeatedly at the Commission and directly to PG&E for table-top exercises and scenario planning. PG&E’s response to the Commission’s October 14 letter does not contain any specific commitments to hold table-top exercises or to provide scenario planning information to local governments. The Joint Local Governments ask that PG&E provide its plan for scheduling and developing table-top exercises with local governments in its next weekly update to the Commission on de-energization improvements. The Joint Local Governments also caution that PG&E should not develop the table-top exercises without input from seasoned emergency managers.

PG&E should also provide a concrete proposal for sharing scenario planning information with local governments. Mr. Sumeet Singh’s presentation made it clear that PG&E has modeled approximately 30 years of weather patterns in its service territory, and that the utility has “planned

and canned” playbooks for high-level outage scenarios.⁶ That is exactly the type of planning information that the Joint Local Governments have been asking for. Mr. Aaron Johnson stated that PG&E needs to work with local governments to help them understand the circuits in their jurisdictions, and will do so with all counties in the coming months. The Joint Local Governments agree and support this effort, but would like to see PG&E’s estimated timeline and the type of information the utility is planning to provide before the plan is finalized. History has shown that PG&E developing solutions for local governments without their input has largely been a waste of time and resources.

- Lack of commitment to incorporate WebEx into daily conference calls with impacted jurisdictions: Professional emergency management agencies, such as CalFire, routinely have a visual component to their status briefings with impacted entities. The Joint Local Governments stated the need for PG&E’s daily briefings to include a visual component.⁷ Yet PG&E’s response to the Commission’s October 14 letter states that the utility is “considering” a WebEx-based tool to facilitate a visual component to its conference calls.⁸ There should be no question as to whether PG&E will add a visual element to its briefings.

PG&E has begun to use WebEx to provide a visual component to the thrice-daily briefings with affected local governments, which the Joint Local Governments greatly appreciate. PG&E’s official de-energization protocols, and the reports it provides to the Commission on its improvements, should reflect this new practice. The utility’s response to the Commission’s October 14 letter does not.

- No apparent change in public outreach campaign: In response to the Commission’s directive to hold town hall-style meetings following de-energization events, PG&E proposes an information-sharing campaign that looks similar to the one it just waged.⁹ As the Joint Local Governments noted in their recent comments, there is no indication that PG&E’s public outreach campaign was successful, and in the case of emergency managers and first responders, it was downright alienating.¹⁰ The Joint Local Governments will hope to see real changes going forward and will inform the Commission if we do not.

⁶ See also, PG&E Response to October 14 Letter, pp. 13–15, items 7(a)–(b).

⁷ Joint Local Governments’ Response to Phase 2, Track 1 Proposals, p. 9.

⁸ PG&E Response to October 14 Letter, p. 5, item 2(e).

⁹ *Id.* at pp. 7–8, item 2(l).

¹⁰ Joint Local Governments’ Response to Phase 2, Track 1 Proposals, pp. 32–33.

- Continued difficulties with Community Resource Centers: While PG&E has acknowledged its need to work more closely with local governments to site CRCs, which will hopefully resolve some of the issues with accessibility, location, and resources offered, PG&E still appears not to understand that its choices have real impacts on the communities it serves. On October 18, one of PG&E's executives noted that certain counties provided additional security, through their Sheriff's Departments, to allow CRCs to stay open longer than the set operating hours. What the executive did not acknowledge was that providing security meant overtime expenses and a reduction in available resources for the County.
- Continued difficulties with the Angwin Resilience Zone: According to Angwin's Fire Chief, the process by which the Angwin Resilience Zone was energized during the October 9 outage was somewhat problematic. It appears that PG&E initially directed power to Pacific Union College, which has its own co-gen plant and therefore did not need the power. Napa County understands that it took over an hour for PG&E to correct the error and supply power to Angwin's fire station and the rest of the Resilience Zone. While the Resilience Zone was eventually up and running, the execution was not an unmitigated success.

Fundamental Areas for Improvement

The Commission is by now familiar with the Joint Local Governments' recommended improvements to PG&E's de-energization program, and has already directed PG&E to implement the vast majority of our requests. But, as it appears that PG&E's upper management was not, until very recently, aware of the things we have been advocating since early in 2019, we repeat them here.

PG&E's public safety partners and customers must have communication and notification from the utility that is clear, coordinated, and correct.

PG&E's outages must be carefully tailored, rationally considered, and must truly be measures of last resort. The Commission has admonished the utilities that there is to be a strong presumption that the power should remain on for public safety reasons, and has further directed that utilities provide mitigation and response measures, including cooling centers and backup generation, before and during an outage to protect customers.¹¹

PG&E must recognize that it is now in the emergency management business and take seriously the input it receives from professional emergency managers.

¹¹ See Resolution ESRB-8, p. 7; D.12-04-024, p. 30

PG&E must implement the Commission's directives in D.19-05-042 regarding information-sharing, coordination, and transparency. The utility's attempts to date have fallen well short of the mark.

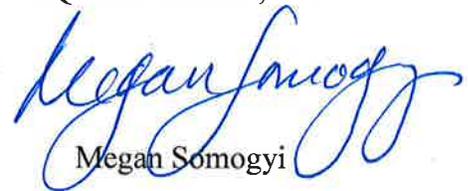
PG&E must provide more than just information to its AFN customers. It is crucial that the utility provide resources to customers and to the government and community-based organizations that work with and provide services to AFN individuals.

Conclusion

The Joint Local Governments agree with the Commission that every revelation PG&E had as a result of the October 9 de-energization was a realization that the utility should have come to long before. All of the information was available, but PG&E absorbed none of it. While PG&E's failure to take the advice and resources it was repeatedly offered is disheartening, particularly in light of the chaos the utility has inflicted on its customers and communities as a result, the Joint Local Governments hope that PG&E's stated determination to change is sincere and is not simply a tale full of sound and fury, signifying nothing.

Very truly yours,

GOODIN, MACBRIDE,
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