



PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA

MARYBEL BATJER
PRESIDENT

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August 18, 2021

Patricia K. Poppe
Chief Executive Officer
Pacific Gas and Electric Corporation
77 Beale Street
San Francisco, CA 94105

Ms. Poppe:

I am writing to inform you that I have directed California Public Utilities Commission (CPUC) staff to conduct a fact-finding review regarding a pattern of self-reported missed inspections and other self-reported safety incidents to determine whether a recommendation to advance Pacific Gas and Electric Company (PG&E) further within the enhanced oversight and enforcement process is warranted. As a condition of approval of PG&E's plan of reorganization, the CPUC instituted a six-step enhanced oversight and enforcement process specific to PG&E due to its record of safety failures and to provide an additional tool to ensure PG&E is held accountable for delivering on its safety responsibilities. These fact-finding activities are underway.

As you are aware, on April 15, 2021, the CPUC 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 2020.¹ PG&E was ordered to take corrective actions to ensure it improves its safety performance. This is an active process the CPUC continues to assess, and the CPUC will continue to apply the enhanced oversight and enforcement process criteria adopted in Appendix A to Decision (D.) 20-05-053.

Since learning of the company's failure to prioritize vegetation clearing, PG&E has self-reported missed inspections of hydroelectric substations, distribution poles, and transmission lines. PG&E has also reported missing internal targets for enhanced vegetation management and failing to identify dry rot in distribution poles treated with Cellon coating. Many of these issues have occurred in High Fire Threat District (HFTD) areas. Since receiving these reports, PG&E has partially achieved remedial and corrective actions, and CPUC and Office of Energy Infrastructure Safety (OEIS) staff teams have been collaborating to actively monitor,

¹ See CPUC Resolution M-4852.

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assess and respond as PG&E addresses each of these deficiencies. However, this pattern of deficiencies warrants the fact-finding review I have directed.

It is important to also point out that the CPUC, in parallel, continues its investigations on PG&E infrastructure causing the Kincade Fire and Zogg Fire. In addition, CPUC staff have recently initiated an investigation on the responsibility of PG&E infrastructure causing the Dixie Fire. As if our standard practice, the CPUC is coordinating closely with the California Department of Forestry and Fire Protection (CAL FIRE) and other law enforcement agencies in these investigations.

The CPUC maintains the authority to issue Orders to Show Cause and Orders Instituting Investigations and to impose fines and penalties related to any safety matter, including those mentioned above. The use of the enhanced oversight and enforcement process is apart and may be triggered, at the CPUC's discretion, by specific PG&E actions that question PG&E's ability to deliver safe, reliable, affordable, clean energy. It also consists of clear and appropriate consequences when the process has been triggered. The pattern of self-reported issues outlined above require assessing its utilization for a second time within a year.

The CPUC and I hold customer safety as a top priority and expect leadership from PG&E to execute on its safety responsibilities. This is a message PG&E has heard from us more times than should be necessary. When PG&E is unable to do this on its own, we have used, and will continue to use, the tools and authority at our disposal to hold PG&E accountable.

Sincerely,

A handwritten signature in blue ink that reads "Marybel Batjer". The signature is fluid and cursive, with the first name being more prominent.

Marybel Batjer, President
California Public Utilities Commission

Cc:
Service Lists of I.15-08-019, R.18-12-005 and R.18-10-007