



## OFFICE OF THE GOVERNOR

October 14, 2019

Mr. William D. Johnson  
Chief Executive Officer and President  
PG&E Corporation  
77 Beale Street  
San Francisco, CA 94105

RE: Public Safety Power Shutoff

Dear Mr. Johnson,

The public safety power shutoff that Pacific Gas & Electric (PG&E) conducted last week forced an unprecedented 738,000 customers in 35 counties to endure extensive power outages. The unacceptable scope and duration of this outage was the direct result of decades of PG&E prioritizing profit over public safety, mismanagement, inadequate investment in fire safety and fire prevention measures, and neglect of critical infrastructure.

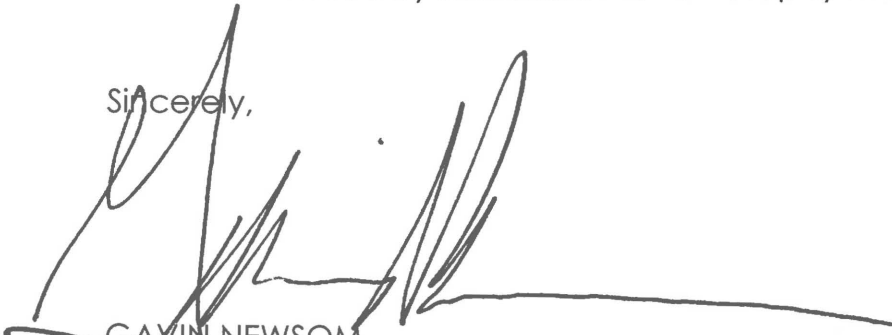
As you acknowledge, PG&E was not adequately prepared to conduct or implement a power outage, especially one on this unprecedented scale. Critically, PG&E's website, to which you directed customers for detailed information about planned outages, crashed multiple times. Call centers had unacceptably long wait times. The company struggled to implement other basic operation protocols including essential notifications and resource services. As a result, customers were unable to access critical information so that they could take steps to prepare. For the thousands of affected residents who rely on power for medical equipment or to refrigerate medicines, this communication failure put lives at risk.

PG&E's lack of preparation and poor performance is particularly alarming given that, prior to the event, top executives responded to the scrutiny and questioning of state and local agencies by asserting that PG&E could handle a public safety power shutoff (PSPS) event. And, PG&E turned down recommendations and offers of assistance from public agencies that are experts in crisis management, including from the Governor's Office of Emergency Services.

I am profoundly disappointed in PG&E's decisions and neglect over the course of many years, which led to this extreme power shutoff event. Last week's failures are absolutely unacceptable. I have asked the California Public Utilities Commission (CPUC), in consultation with the Governor's Office of Emergency Services, to conduct a comprehensive review of the company's execution of the power safety shutoff last week. I have also asked the CPUC to review the company's efforts to make required safety investments in its infrastructure.

PG&E has an obligation to the customers affected by the company's inadequate preparation and failed execution of this power shutoff event. Lives and commerce were interrupted. Too much hardship was caused. Given PG&E's extreme failures in implementing the PSPS, I urge you to provide affected customers an automatic credit or rebate of \$100 per residential customer and \$250 per small business as some compensation for their hardships. This rebate should be funded by shareholders, not ratepayers.

Sincerely,



GAVIN NEWSOM  
Governor  
State of California