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November 22, 2019

Alice Stebbins
Executive Director
California Public Utilities Commission
505 Van Ness Avenue, Room 5223
San Francisco, CA 94102

Re: Implementation of the Catastrophic Event Memorandum Account for 2019 Kincade Fire

Dear Ms. Stebbins:

In accordance with Commission Resolution E-3238, dated July 24, 1991, and the associated currently effective tariff sheets (Electric Preliminary Statement Part G and Gas Preliminary Statement AC), PG&E hereby provides notice that PG&E is recording costs associated with the repair of facilities and restoration of service associated with the 2019 Kincade Fire in the Catastrophic Event Memorandum Account (CEMA). The costs associated with this wildfire include repairs of electric distribution facilities and gas distribution facilities as a result of the Kincade Fire.

PG&E is submitting this letter to preserve the option of filing an application for cost recovery under CEMA provisions at a later date. Details about this wildfire are preliminary at this time. Initial figures for the repair and restoration costs associated with the effects on PG&E's electric distribution facilities and gas distribution facilities are provided in more detail below:

1. Disaster

On October 25, 2019, the Governor of the State of California, Gavin Newsom, issued, as a result of the Kincade Fire, a State of Emergency Proclamation under the California Emergency Services Act and section 8625 of the California Government Code for Sonoma County.¹

¹ The October 25, 2019 proclamation also referenced the Tick Fire in Los Angeles County, which is outside of PG&E's service territory. Therefore, this CEMA notification letter only contains costs related to the Kincade Fire in Sonoma county.

2. Effects on PG&E's Facilities

The 2019 Kincade Fire is estimated to have damaged about 584 electric distribution facilities and 1 gas facility. This event is estimated to have disrupted service to about 900 electric customers and about 24,490 gas customers across PG&E's service territory.

3. Estimated Restoration Costs

Given that response work is ongoing, the restoration and repair estimates provided below are preliminary costs. It should be noted that the estimated restoration costs provided in this section do not include recovery (e.g., rebuild) costs, which cannot be reasonably forecasted at this time.

- For electric distribution, PG&E has incurred approximately \$5.3 million of incremental repair and restoration costs as of November 7, 2019, of which \$2.9 million is related to capital and \$2.4 million is related to expense. PG&E Electric Distribution is unable to forecast the total estimated expense and capital restoration costs for this event. Therefore, these costs are preliminary.
- For gas distribution, PG&E has incurred approximately \$3.6 million of incremental repair and restoration costs, of which the entire amount is expense-related. No capital charges have been recorded yet, as of November 6, 2019. PG&E Gas Operations is unable to forecast the total estimated expense and capital costs for this event. Therefore, these costs are preliminary.

If you have any questions about this CEMA notice, please do not hesitate to contact me at (415) 973-4464 or by email at Erik.Jacobson@pge.com.

Sincerely,



Erik B. Jacobson
Director - Regulatory Relations

cc: Edward Randolph, Director, Energy Division
(via email to EnergyDivisionCentralFiles@cpuc.ca.gov)