



Public Utilities Commission
STATE OF CALIFORNIA

Citation Date: May 5, 2023
Citation #: D.16-09-055 W.23-05-001
Utility/Operator ID#: U 39 E

CITATION
ISSUED PURSUANT TO DECISION 16-09-055

Electrical Corporation (Utility) To Which Citation is Issued:

Pacific Gas and Electric Company (U 39 E)

OFFICERS OF THE RESPONDENT

Meredith Allen
Vice President, Regulatory Affairs
Pacific Gas and Electric Company
MEAe@pge.com

CITATION

Pacific Gas and Electric Company (PG&E or Utility) is cited for six violations, resulting in a financial penalty of **\$132,500**. On December 23, 2021, the Safety and Enforcement Division (SED) began its investigation into the Brewer Fire under Incident Number E20211223-01. Through its investigation, SED identified that PG&E violated General Order (GO) 95, Rule 18 for failing to complete maintenance work within the prescribed timeline and Rule 31.1 for failing to use accepted good practices in five separate instances.

VIOLATIONS

SED's investigation determined that PG&E failed to complete a work order which identified a safety hazard within the timeline prescribed by General Order (GO) 95 Rule 18 (Jan. 2020, p. I-9). SED's investigation also determined the following violations of GO 95 Rule 31.1 (Jan. 2020, p. III-5) regarding the failure to use accepted good practices: PG&E failed to use Infrared cameras in accordance with accepted good practices, PG&E failed to comply with its internal procedures for repairing electrical facilities with elevated temperatures within the utility's prescribed timeline, PG&E failed to comply with its internal procedures for replacing poles with excessive woodpecker damage, PG&E failed to comply with its internal procedures for addressing work orders within an internally prescribed timeline, and PG&E's failed safety reassessments are not in accordance with accepted good practices.

General Order 95, Rule 18 – Maintenance Programs and Resolution of Potential Violations of General Order 95 and Safety Hazards states in part:

Each company (including electric utilities and communications companies) shall establish and implement an auditable maintenance program for its facilities and lines for the purpose of ensuring that they are in good condition so as to conform to these rules. Each company must describe in its auditable maintenance program the



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required qualifications for the company representatives who perform inspections and/or who schedule corrective actions. Companies that are subject to GO 165 may maintain procedures for conducting inspections and maintenance activities in compliance with this rule and with GO 165.

(GO 95, Rule 18 (Jan. 2020), p. I-9.)

General Order 95 Rule 31.1 – Design, Construction and Maintenance states in part:

For all particulars not specified in these rules, design, construction, and maintenance should be done in accordance with accepted good practice for the given local conditions known at the time by those responsible for the design, construction, or maintenance of communication or supply lines and equipment.

(GO 95, Rule 31.1 (Jan. 2020), p. III-5.)

ENCLOSURES

The following enclosures were used to establish the findings of fact:

Enclosure 1 – SED’s Incident Investigation Report, dated December 1, 2022

Enclosure 2 – SED’s Notice of Violation (NOV), dated February 1, 2023

Enclosure 3 – PG&E’s Response to SED’s NOV, dated March 3, 2023

STATEMENT OF FACTS

The above violations are documented in the attached Enclosure 1 – SED Incident Investigation Report which is based on the following: SED’s field observations; SED’s interviews with witnesses of PG&E personnel, SED’s review of PG&E’s records and responses to SED’s data requests, and SED’s review of PG&E’s NOV response dated March 3, 2023.

BACKGROUND

On the evening of July 7, 2021, at 1800 hours, a fire broke out at the intersection of Brewer Road and Iron Horse Drive in Grass Valley, Nevada County, California. The California Department of Forestry and Fire Protection (CAL FIRE) responded and contained the fire to 5.5 acres; no structures were burned. At 2030 hours on July 7, 2021, the PG&E troubleman and CAL FIRE investigator observed a piece of metal equipment glowing red at the top of the pole on the side of Iron Horse Drive on the Higgins 1103 12kV circuit. CAL FIRE eliminated all other causes for the fire and although no physical evidence was found, CAL FIRE concluded that the cause was most likely a heated piece of metal from the electrical equipment, which must have fallen on the dry grass below.

Pacific Gas and Electric (PG&E) did not report the fire to the California Public Utilities Commission (CPUC) at the time the incident occurred because the fire did not meet the reporting criteria – no structures had burned, there were no injuries or fatalities, and there was no significant media coverage at the time of the fire.



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Months later, on December 22, 2021, PG&E received a claim for over \$50,000 in property damage at the incident location. Because PG&E received a claim for property damage in excess of \$50,000, the incident now met the criteria for reporting to the CPUC. PG&E reported the fire to the CPUC the following day, on December 23, 2021. The Safety Enforcement Division’s (SED) investigation of the incident revealed that PG&E violated several requirements in General Order (GO) 95 Rules for Overhead Electric Line Construction.

PG&E is in violation of GO 95, Rule 18 because the utility failed to complete a work order, which identified a safety hazard, within the prescribed timeline. PG&E is in violation of GO 95 Rule 31.1 on five counts. The first violation of GO 95 Rule 31.1 is because the utility failed to use Infrared cameras in accordance with accepted good practices. The second violation of GO 95 Rule 31.1 is because the utility failed to comply with its internal procedures for repairing electrical facilities with elevated temperatures within the utility’s prescribed timeline. The third violation of GO 95 Rule 31.1 is because the utility failed to comply with its internal procedures for replacing poles with excessive woodpecker damage. The fourth violation of GO 95 Rule 31.1 is because the utility failed to comply with its internal procedures for addressing work orders within an internally prescribed timeline. The fifth violation of GO 95 Rule 31.1 is because the utility’s field safety reassessments are not in accordance with accepted good practices.

SED CITATION ANALYSIS

Element	Staff Finding
Number of violations and duration of violations	<p>One violation of GO 95, Rule 18, (Jan. 2020, p. I-9) for two-hundred-twenty days.</p> <p>Three violations of GO 95, Rule 31.1, (Jan. 2020, p. III-5) for one day.</p> <p>One violation of GO 95, Rule 31.1, (Jan. 2020, p. III-5) for forty-two days.</p> <p>One violation of GO 95, Rule 31.1, (Jan. 2020, p. III-5) for five-hundred-ninety-two days.</p>
Severity or gravity of the offense	<p>Economic Harm: 5.5 acres of Tier 2 High Fire-Threat District (HFTD) wildlands were burned. No structures were damaged or destroyed. 100 customers experienced a sustained outage. All customers had their power restored after 2 hours.</p> <p>Physical Harm: There were no injuries or fatalities associated with the fire.</p> <p>Regulatory Harm/Number of Violations: SED identified six total violations. One violation of GO 95, Rule 18, and five violations of GO 95 Rule 31.1.</p>



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Element	Staff Finding
Conduct of the utility	<p>General Order 95, Rule 18 – Maintenance Programs and Resolution of Potential Violations of General Order 95 and Safety Hazards states in part:</p> <p><i>Each company (including electric utilities and communications companies) shall establish and implement an auditable maintenance program for its facilities and lines for the purpose of ensuring that they are in good condition so as to conform to these rules. Each company must describe in its auditable maintenance program the required qualifications for the company representatives who perform inspections and/or who schedule corrective actions. Companies that are subject to GO 165 may maintain procedures for conducting inspections and maintenance activities in compliance with this rule and with GO 165.</i></p> <p>(GO 95, Rule 18 (Jan. 2020), p. I-9.)</p> <p>Violation 1 is that PG&E identified a safety hazard, which was electrical facilities overheating identified during an Infrared inspection of subject pole at the ignition point of the Brewer Fire. The utility did not complete maintenance work on these overheating facilities in accordance with the appropriate timeframe per GO 95 Rule 18.</p> <p>General Order 95 Rule 31.1 – Design, Construction and Maintenance states in part:</p> <p><i>For all particulars not specified in these rules, design, construction, and maintenance should be done in accordance with accepted good practice for the given local conditions known at the time by those responsible for the design, construction, or maintenance of communication or supply lines and equipment.</i></p> <p>(GO 95, Rule 31.1 (Jan. 2020), p. III-5.)</p> <p>SED identified five violations of GO 95 Rule 31.1.</p>



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Element	Staff Finding
Conduct of the utility (continued)	<p>Violation 2 is a violation of GO 95 Rule 31.1 because PG&E failed to use Infrared cameras in accordance with accepted good practices, and despite discovering overheating equipment with Infrared cameras during a routine inspection, when the work order was subject to a field safety reassessment, the utility did not use Infrared cameras to assess the temperature of the equipment – which would not necessarily be visual to the naked eye.</p> <p>Violation 3 is a violation of GO 95 Rule 31.1 because PG&E detected a differential temperature reading of electrical facilities of 245.2°F, which requires maintenance to be completed within 30 days per PG&E’s internal standards. However, PG&E assigned this maintenance work order an incorrect priority level with a completion deadline of 180 days. PG&E failed to comply with its internal procedures for repairing electrical facilities and therefore failed to use accepted good practices in prescribing this maintenance.</p> <p>Violation 4 is a violation of GO 95 Rule 31.1 because PG&E identified excessive woodpecker damage, specifically woodpecker starter holes greater than 9 inches in a given one-foot vertical section of the subject pole at the ignition point of the Brewer Fire and did not replace the pole in accordance with the requirements of its internal standards, and instead simply patched a single large hole. PG&E failed to comply with its internal procedures for replacing poles with excessive woodpecker damage and therefore failed to use accepted good practices in performing this maintenance.</p> <p>Violation 5 is a violation of GO 95 Rule 31.1 because PG&E assigned a 12-month deadline to complete a work order to replace the subject pole at the ignition point of the Brewer Fire and failed to complete that work or perform a reassessment of the work within the 12-month timeline. PG&E failed to comply with its internal maintenance procedures and therefore failed to use accepted good practices in performing this maintenance.</p> <p>Violation 6 is a violation of GO 95 Rule 31.1 because PG&E’s practice of performing field safety reassessments ahead of wildfire season causes substantial delay of maintenance work and is therefore not in accordance with accepted good practices. However, no penalty is assessed for this violation in this instance. Because this is an area of concern for the utility, SED may impose penalties for future violations.</p>



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Element	Staff Finding
<p>Prior history of similar violation(s)</p>	<p>SED’s incident investigations have found PG&E in violation of similar policies and laws at least three times since October 2017. Examples include:</p> <ul style="list-style-type: none"> • E20171010-02: On October 08, 2017, near Sonoma Highway in Kenwood, CA, Sonoma County a Eucalyptus tree fell on to a PG&E 12kV overhead conductor igniting the Adobe Fire. The fire burned 56,556 acres, destroying 1355 structures, damaging 172 structures, and resulting in 3 fatalities. SED found that PG&E failed to complete a cross-arm replacement work order on time, which was determined to be a violation of GO 95 Rule 31.1. • E20171023-01: On October 08, 2017, on Atlas Peak Road, in Napa, CA, Napa County, a Black Oak tree fell onto a PG&E 12 kV overhead conductor, and at a second location a branch from a Valley Oak tree contacted a PG&E 12 kV overhead conductor both of which generated sparks and merged to ignite the Atlas Fire. The fire burned 51,624 acres, damaging 783 structures, destroying 120 structures, and resulting in 6 fatalities. SED found that PG&E failed to complete a correctional tree pruning work order on time, which was determined to be a violation of GO 95 Rule 31.1. • E20181108-01: On November 8, 2018 at the intersection of Concow Rd. and Rim Rd. in Pulga, CA, Butte County a ground fault on PG&E Transmission Tower :27/221 ignited the Camp Fire. The fire burned approximately 153,336 acres, destroying 18,804 structures, and resulting in 85 fatalities. SED found that PG&E assigned an incorrect priority for an immediate Safety Hazard, a disconnected insulator hold-down anchor on Tower :27/221, which was determined to be a violation of GO 95 Rule 18.
<p>Self-reporting of the violation</p>	<p>PG&E self-reported this incident under the property damage criterion set forth in D.06-04-055 (Apr. 28, 2006). After PG&E self-reported this incident, SED followed up with an incident investigation.</p> <p>PG&E also self-identified the GO 95 Rule 18 violation in its Event Analysis Report of the Brewer Fire incident.</p>
<p>Financial resources of the utility</p>	<p>PG&E provides natural gas and electric service to approximately 16 million people. PG&E’s operating revenue in 2021 was \$20.642 billion.</p>



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Element	Staff Finding
The totality of the circumstances	<p>Aggravating factors include:</p> <ul style="list-style-type: none"> Multiple prior violations found during investigations of previous fires for work orders not being completed on time. The incident occurred in a Tier 2 HFTD. <p>Mitigation factors include:</p> <ul style="list-style-type: none"> PG&E’s general cooperation with SED for the duration of the investigation. PG&E provided an Event Analysis Report that identified procedure changes related to preventing the cancelation of work orders created by Infrared cameras and performed an investigation into other work orders that were improperly cancelled. <p>Circumstantial factors include:</p> <ul style="list-style-type: none"> PG&E self-reported this incident under the property damage criterion set forth in Decision 06-04-055 (Apr. 28, 2006).
The role of precedent	<p>PG&E has been cited for violations of GO 95 Rule 18 for the failure to address Safety Hazards and Rule 31.1 for the failure to follow internal procedures and complete work orders on time in the past.</p> <p>Violation 6, the Field Safety Reassessment process not being in line with accepted good practices per Rule 31.1, has not been cited in the past and is not included in the calculation of the resultant penalty amount. Instead, it is simply noted as a concern of SED for the utility to address.</p> <p>Since the damage of the Brewer Fire was limited to 5.5 acres, there was no physical harm to structures or persons, and power was restored within 2 hours, the minimum per day fine (\$500) has been used for Violations 1 through 5 to calculate this citation amount.</p>
Resultant Citation Taking All of These Factors Into Account	\$132,500 consistent with the administrative limit on citations adopted in Decision 16-09-055, Phase Two Decision (Sept. 30, 2016).



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RESPONSE:

Respondent is called upon to provide a response to this Citation by: **5:00 PM on June 5, 2023**. By way of such response, Respondent, **within 30 calendar days**, must either pay the amount of the penalty set forth in this citation,¹ or appeal² the citation. In addition, the Respondent must do one of the following:

- 1) For violations constituting immediate safety hazards: Respondent must immediately correct the immediate safety hazards.
- 2) For violations that do not constitute immediate safety hazards: Violations that do not constitute immediate safety hazards must be corrected within 30 days after the citation is served. If said violations that do not constitute immediate safety hazards cannot be corrected within 30 days, then the Respondent must submit a detailed Compliance Plan to the Director of SED within 30 days after the citation issues, unless the utility and the Director of SED, before the expiration of the 30-day period, agree in writing to another date, reflecting the soonest that the Respondent can correct the violations. The Compliance Plan must provide a detailed description of when the violation will be corrected, the methodology to be utilized, and a statement supported by a declaration from the Respondent's Chief Executive Officer or appropriate designee (CEO Declaration) stating that in the Respondent's best judgment, the time that will be taken to correct the violation will not affect the safety or integrity of the operating system or endanger public safety.

Note: Respondent will forfeit the right to appeal the citation by failing to do one of the options outlined above within 30 days. Payment of a citation or filing a Notice of Appeal does not excuse the Respondent from curing the violation. The amount of the penalty may continue to accrue until a Notice of Appeal is filed. Penalties are stayed during the appeal process. A late payment will be subject to a penalty of 10% per year, compounded daily and to be assessed beginning the calendar day following the payment-due date. The Commission may take additional action to recover any unpaid fine and ensure compliance with applicable statutes and Commission orders.

¹ For fines paid pursuant to Pub. Util. Code §2107 and Decision 16-09-055 Respondent shall submit a certified check or wire transfer payable to California Public Utilities Commission using the attached Citation Payment Form. Upon payment, the fine will be deposited in the State Treasury to the credit of the General Fund and this citation will become final.

² Respondent may Appeal this citation by completing and submitting a Notice of Appeal Form. Please see the attached document, "Directions For Submitting An Appeal To A Citation Issued Pursuant to Decision 16-09-055" for information on the appeals process and the attached "Notice of Appeal Of Citation Form."



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NOTIFICATION TO LOCAL AUTHORITIES:

As soon as is reasonable and necessary, and no later than 10 calendar days after service of the citation is effected, Respondent must provide a notification to the Chief Administrative Officer or similar authority in the city and county where the violation occurred. Within 10 days of providing such notification, Respondent must serve an affidavit to the Director of SED, at the mail or e-mail address noted below, attesting that the local authorities have been notified; the date(s) for when notification was provided; and the name(s) and contact information for each local authority so notified.

The CPUC expects the Utility to take actions, as soon as feasible, to correct, mitigate, or otherwise make safe all violations noted on the Citation regardless of the Utility's intentions to accept or appeal the violation(s) noted in the Citation.

/s/

Lee Palmer
Director

Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Leslie.Palmer@cpuc.ca.gov



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CITATION PAYMENT FORM

I (we) _____ hereby agree to comply with this citation dated _____,
and have corrected/mitigated the violation(s) noted in the citation on _____ and no later
than _____, _____ all work to make permanent corrections to any mitigated, or
otherwise remaining concerns related to the violation(s) will be completed as noted in the
Compliance Plan we have submitted to the Director of SED and, herewith, pay a fine in the
amount of
\$ _____ as included in the citation.

Signature of Electrical Corporation’s Treasurer, Chief
Financial Officer, or President/Chief Executive Officer, or
delegated Officer thereof

(Signature) (Date)

(Printed Name and Title)

Payment must be with a certified check or wire transfer made payable to the **California Public Utilities Commission** and sent to the below address. Please include the citation number on the memorandum line of the check or money transfer to ensure your payment is properly applied.

California Public Utilities Commission
Attn: Fiscal Office
505 Van Ness Avenue
San Francisco, CA 94102-3298

NOTE: A copy of the completed Citation Payment Form must be sent to the Director of the Safety and Enforcement Division, via email or regular mail, to the address provided on the Citation.



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DIRECTIONS FOR SUBMITTING AN APPEAL TO A CITATION ISSUED PURSUANT TO DECISION 16-09-055

Within 30 calendar days of the Respondent being served with a **CITATION ISSUED PURSUANT TO DECISION 16-09-055**, Respondent may appeal the citation. Beyond 30 calendar days of being served with the citation, Respondent is in default and, as a result, is considered as having forfeited rights to appeal the citation. The Respondent must still correct the violation(s) as instructed in the Response section of this citation.

To appeal the citation, Appellant must file a Notice of Appeal (including a completed title page complying with Rule 1.6 of the Commission's Rules of Practice and Procedure, and attached Notice of Appeal Form) along with copies of any materials the Appellant wants to provide in support of its appeal with the Commission's Docket Office **and** must serve the Notice of Appeal, at a minimum, on

- 1) The Chief Administrative Law Judge (with an electronic copy to: ALJ_Div_Appeals_Coordinator@cpuc.ca.gov),
- 2) The Director of the Safety and Enforcement Division
- 3) The Executive Director
- 4) General Counsel
- 5) The Director of the Public Advocates Office at the California Public Utilities Commission

at the address listed below within 30 calendar days of the date on which the Appellant is served the Citation. The Appellant must file a proof of service to this effect at the same time the Appellant files the Notice of Appeal. The Notice of Appeal must at a minimum state: (a) the date of the citation that is appealed; and (b) the rationale for the appeal with specificity on all grounds for the appeal of the citation.

California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102
Attn: <Insert Title>

NOTE: Submission of a *Notice of Appeal Form* in no way diminishes Appellant's responsibility for correcting the violation described in the citation, or otherwise ensuring the safety of facilities or conditions that underlie the violations noted in the Citation.

Ex Parte Communications as defined by Rule 8.1(c) of the Commission's Rules of Practice and Procedure, are prohibited from the date the citation is issued through the date a final order is issued on the citation appeal.



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After receipt of the Appellant's *Notice of Appeal Form*, a hearing will be convened before an Administrative Law Judge. At least ten days before the date of the hearing, the Appellant will be notified and provided with the location, date, and time for the hearing. At the hearing,

- (a) Appellant may be represented by an attorney or other representative, but any such representation shall be at the sole expense of the Appellant;
- (b) Appellant may request a transcript of the hearing, but must pay for the cost of the transcript in accordance with the Commission's usual procedures;
- (c) Appellant is entitled to the services of an interpreter at the Commission's expense upon written request to the Chief Administrative Law Judge not less than five business days prior to the date of the hearing;
- (d) Appellant is entitled to a copy of or electronic reference to "Resolution ALJ-377 Modifies and Makes Permanent the Citation Appellate Rules and General Order 156 Appellate Rules (Citation Appellate Rules)"; and
- (e) Appellant may bring documents to offer in evidence (Rule 13.6 (Evidence) of the Commission's Rules of Practice and Procedure applies) and/or call witnesses to testify on Appellant's behalf. At the Commission's discretion, the hearing in regard to the Appellant's appeal can be held in a CPUC hearing room at either of the following locations:

San Francisco:

505 Van Ness Avenue
San Francisco, CA 94102

Los Angeles:

320 West 4th Street, Suite 500
Los Angeles, CA 90013

The hearing(s) held in regard to the Appellant's appeal will be adjudicated in conformance with all applicable Public Utilities Code requirements.



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Notice of Appeal Form
Appeal from Citation issued by Safety and Enforcement Division
(Pursuant to Decision 16-09-055)

Appellant:

 [Name]

 [Title]

 [Utility Name]

 [Mailing Address]

 [City, CA Zip Code]

Citation Date: _____

Citation #: D.16-09-055 ____ - ____ - ____

Utility/Operator ID#: _____

Appeal Date: _____

“Appeal of _____ from _____
 [Utility/Operator Name] [Citation Number]”

Issued by the Safety and Enforcement Division”

Statements supporting Appellant’s Appeal of Citation (You may use additional pages if needed and/or attach copies of supporting materials along with this form).



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Enclosures to Accompany Utility Appeal

Utility to add list of Enclosures as appropriate: