

[®] April 16, 2018

1100 K Street Suite 101 Sacramento California 95814 The Honorable Ben Hueso Chair, Senate Energy, Utilities and Communications Committee California State Capitol, Room 4035 Sacramento, CA 95814

Telephone 916.327.7500 Facsimile 916.441.5507 Re: SB 1088 (Dodd) – Safety, reliability, and resiliency planning As Amended April 9, 2018 – SUPPORT IF AMENDED

To Be Heard in Senate Energy, Utilities and Communication Committee – April 17th, 2018

Dear Senator Hueso,

The California State Association of Counties (CSAC) writes to express our support-if-amended position on SB 1088 (Dodd). This bill would require the Office of Emergency Services, along with other agencies, to establish standards for utilities to protect against damage from storms, floods, mudslides, wildfires, earthquakes. In addition, the bill would require Investor Owned Utilities (IOU) to file, and the California Public Utilities Commission to review, adopt and enforce, safety, reliability and resiliency plans to prevent and mitigate risk from wildfires and other major events that affect the safety and reliability of the electric and gas systems.

Our changing climate is creating increasingly dangerous conditions in California with increased and prolonged drought conditions and rising tree mortality rates. Eight of the 20 most destructive fires in California history have occurred since 2015, with five occurring in 2017. Collectively, we must start taking steps to address this new normal. SB 1088 establishes the Utility Infrastructure, Safety, Reliability, and Accountability Act, which would consolidate proceedings to address new, all-encompassing safety, reliability and resiliency plans for all CPUC-regulated utilities.

While we do believe this process would help to make California's utility infrastructure more resilient, we are concerned with the bill's potential impact on civil liability issues, purportedly outside the scope of this bill. Section 2899.6 states that "after completing the review pursuant to Section 2899.4, if the commission determines that a utility was in substantial compliance with its plan, the utility's performance, operations, management, and investments addressed in the plan shall be deemed reasonable and prudent for all purposes." We believe the term "for all purposes" is vague and opens the door to other liability issues outside of the scope of SB 1088. We would respectfully request that this section be amended to provide clarity and limit the reach of this measure to exclude any potential impact on a civil proceeding. We respectfully request the following amendment:

2899.6. After completing the review pursuant to Section 2899.4, if the commission determines that a utility was in substantial compliance with its plan, the utility's performance, operations, management, and investments addressed in the plan shall be deemed reasonable and prudent-(for all purposes.) Nothing in this section shall affect or apply to any civil proceeding.

As California works to become more resilient and adapt to our changing environment, it is more critical than ever to adequately address potential risks across all sectors. It is for these reasons that we have a support-if-amended position on SB 1088.

If you have any questions about our position, please do not hesitate to contact me at cmartinson@counties.org or 916-327-7500, ext. 504.

Sincerely,

Cara B. Martinson

Senior Legislative Representative

cc: Honorable Bill Dodd, California State Senate

Members, Senate Energy, Utilities and Communications Committee Nidia Bautista, Consultant, Senate Energy, Utilities and Communications Committee

Kerry Yoshida, Consultant, Senate Republican Caucus