

Erik B. JacobsonDirector
Regulatory Relations

77 Beale St., Room 2343 San Francisco, CA 94105

Mailing Address: Pacific Gas and Electric Company P.O. Box 770000 Mail Code: B23A San Francisco, CA 94177

Tel.: 415/973-4464 Erik.Jacobson@pge.com

August 23, 2018

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 2018
Carr and Ferguson Fires

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), Pacific Gas and Electric Company (PG&E) hereby provides notice that PG&E is recording costs associated with the repair of facilities and restoration of service associated with the Carr and Ferguson fires in the Catastrophic Event Memorandum Account (CEMA). The costs associated with these wildfires include repairs of electric distribution facilities and gas distribution facilities as a result of the 2018 Carr and Ferguson Fires.

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 these wildfire disasters are preliminary at this time given the status of events. Initial estimates of the repair and restoration costs associated with the effects on PG&E's electric distribution facilities and gas transmission and distribution facilities are provided in more detail below:

Carr Fire

1. <u>Disaster</u>

On July 26, 2018, the Governor of the State of California, Edmund G. Brown Jr., issued, as a result of the 2018 Carr Fire, a State of Emergency Proclamation under the California Emergency Services Act and section 8625 of the California Government Code for Shasta County.

2. Effects on PG&E's Facilities

The 2018 Carr Fire is estimated to have damaged 1,600 electric distribution facilities and 270 gas distribution facilities. This event is estimated to have disrupted service to 3,900 electric customers and 600 gas customers across PG&E's service territory.

3. <u>Estimated Restoration Costs</u>

For electric distribution, PG&E estimates it will incur approximately \$26 million of incremental repair and restoration costs of which \$20 million is estimated to be capital related and \$6 million is estimated to be expense related.

For gas transmission and distribution, PG&E estimates it will incur approximately \$1.9 million of incremental repair and restoration costs, of which \$0.3 million will be capital related and \$1.6 million is estimated to be expense related.

Ferguson Fire

1. <u>Disaster</u>

Later on July 26, 2018, the Governor of the State of California, Edmund G. Brown Jr., issued, as a result of the 2018 Ferguson Fire, another State of Emergency Proclamation under the California Emergency Services Act and section 8625 of the California Government Code for Mariposa County.

2. Effects on PG&E's Facilities

The 2018 Ferguson Fire is estimated to have damaged 10 Electric Distribution facilities and is estimated to have disrupted service to 1,100 electric customers across PG&E's service territory.

3. Estimated Restoration Costs

For electric distribution, PG&E estimates it will incur approximately \$2 million of incremental repair and restoration costs of which \$0.5 million is estimated to be capital related and \$1.5 million is estimated to be expense related.

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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 e-mail to EnergyDivisionCentralFiles@cpuc.ca.gov)