

SB 254 Study Report

Points to Existential Challenges and Opportunities

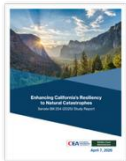


Will Abrams
PG&E Wildfire Survivor
Organizing Advocate
May 13, 2026

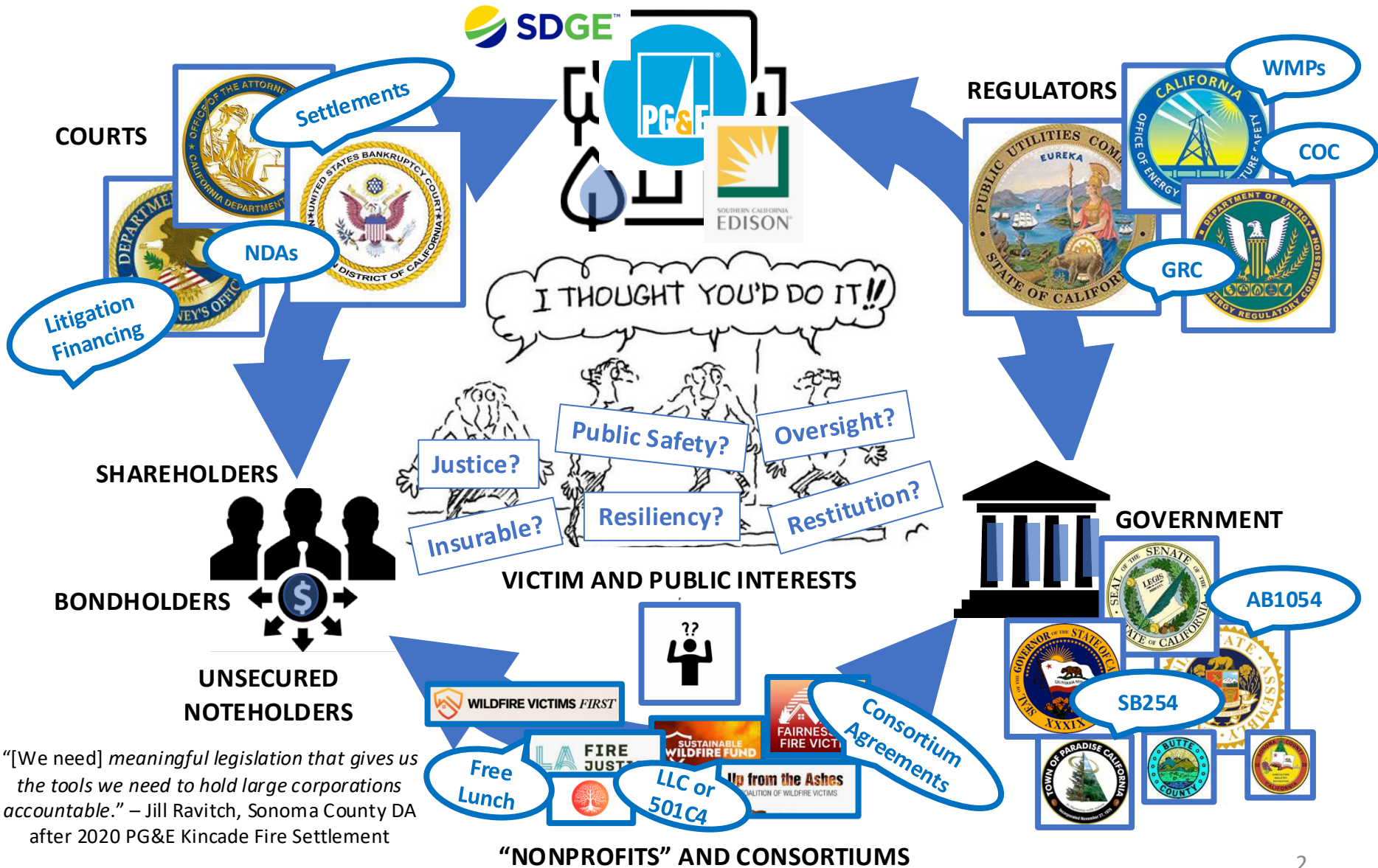


**UTILITY WILDFIRE
SURVIVOR COALITION**

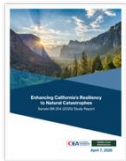
Full Restitution • Affordable Energy • Wildfire Safety



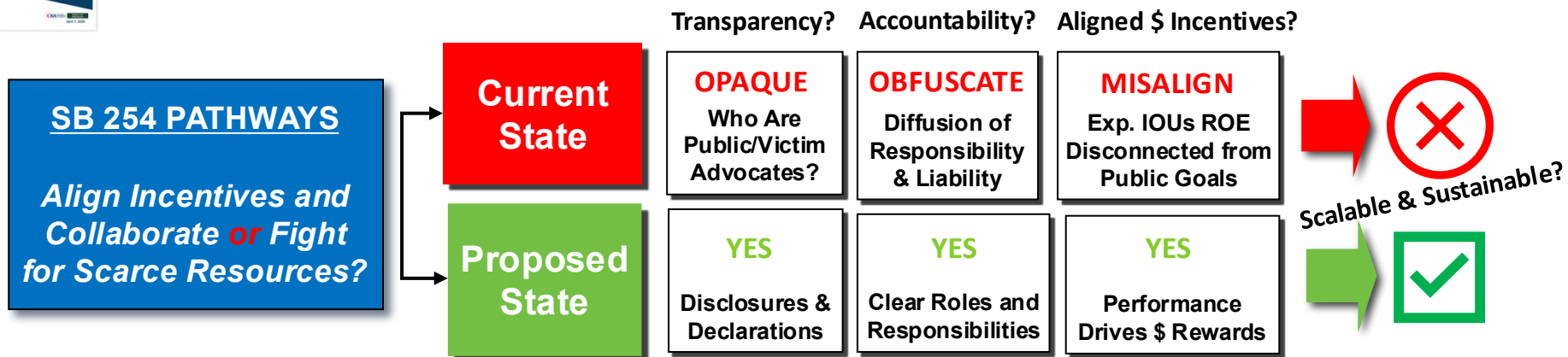
SB 254 Study Report: UWSC Identifies Current Utility Wildfire Liability and Cost Recovery Environment and Describes Challenges and Opportunities



“[We need] meaningful legislation that gives us the tools we need to hold large corporations accountable.” – Jill Ravitch, Sonoma County DA after 2020 PG&E Kincade Fire Settlement



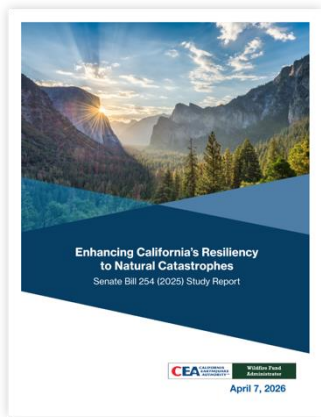
SB 254 Study “Pathways” Demonstrate Inflection Point and Need for Urgent Action



Common Myths, Misconceptions and Conflation

- ✓ Collaboration and Strategy Integration ≠ “Equitable Allocation of Burdens”*
- ✓ “Socialization of Cost/Liability” = Deflection onto Families and Communities
- ✓ “Market Stabilization” ≠ Healthy Markets (insurance and/or utility)
 - ✓ “Inherent Result of Bankruptcy” misconstrues “restructuring” and party roles
 - ✓ Utilities Require Proxies for Market Competition to Drive Performance
 - ✓ Healthy Insurance Industry will respond to Risk Drivers and Demonstrated Risk Mitigation
- ✓ Catastrophic Utility Wildfire Ignition ≠ Natural Disaster
 - ✓ Drives Diffusion of Responsibility and lack of Accountability
 - ✓ Often due to corporate negligence, mismanagement and/or violations (PUC and criminal code)
 - ✓ Issues of **Justice** are Central (Victim Restitution, Corporate Accountability)
- ✓ “Fair” Recovery + Market Stabilization ≠ Just Outcomes, Full Restitution and Resiliency
 - ✓ False equivalency undermines Family Recovery and Community Resiliency
 - ✓ Prioritizes Corporate Interests over Public Interests

*Note: See 2019 Governor’s Strikeforce Report and Compare to 2025 SB254 Study Report
 “Strategy Pathway 2... Equitably Allocate Catastrophic Burdens... eliminate inverse condemnation.”



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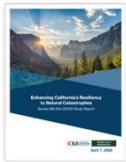
Appendix: To support Q&A from Committee

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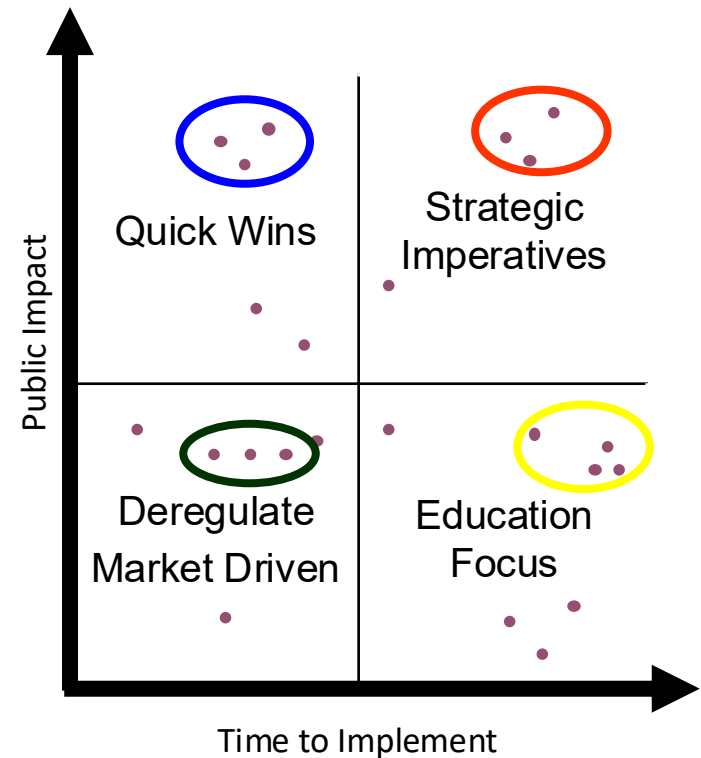
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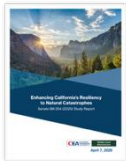
Full Restitution • Affordable Energy • Wildfire Safety



Map SB 254 Study Inputs and Legislative Priorities (impacts, risks and time)

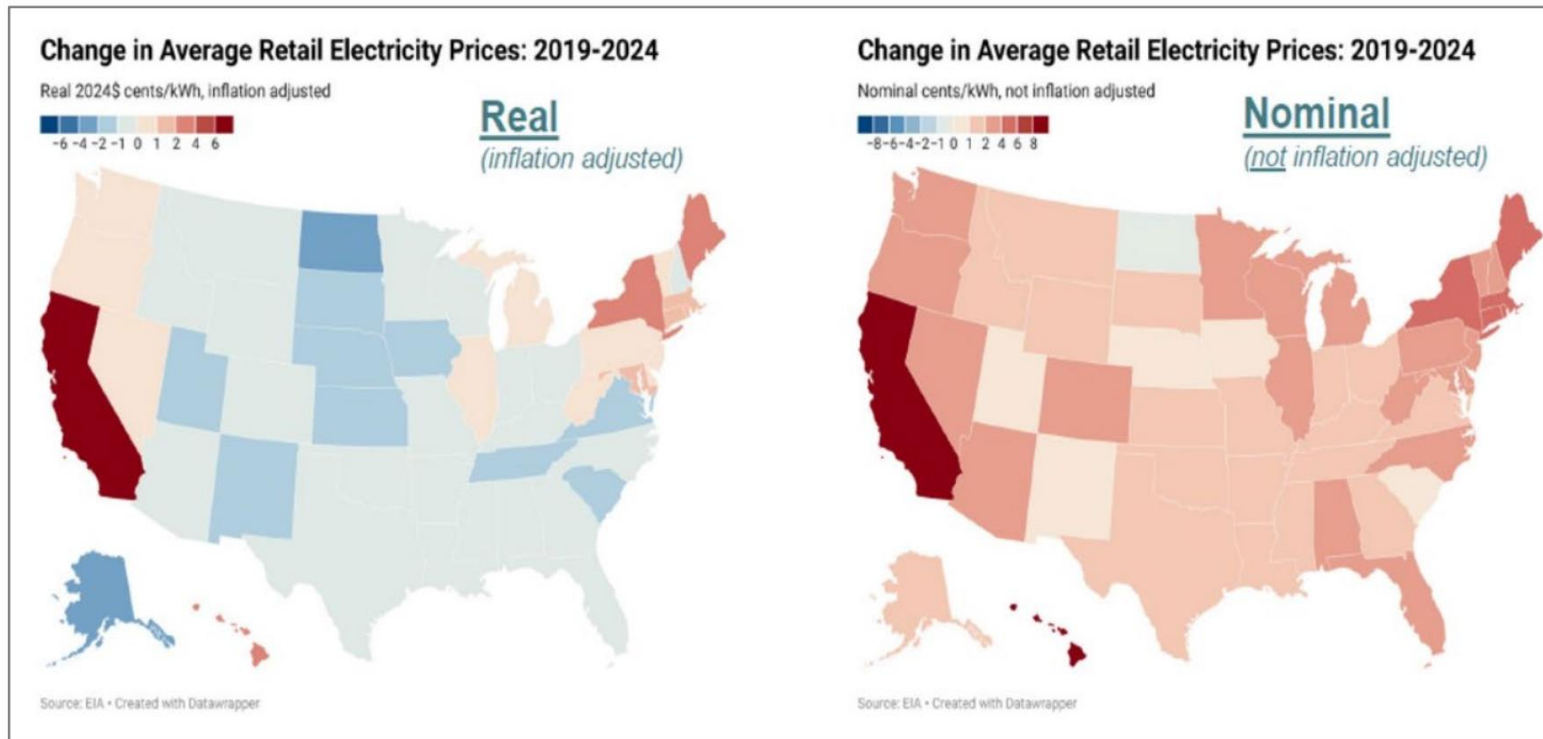
- Strategic Imperatives (High Impact but takes time)
 - Align Strategies (WMP, CWPP, etc.), and Metrics (RRR, GHGs) - *“Pathway 1: Commit to Wildfire Risk Reduction”*
 - Align Incentive Structures building off *“Option 1.3.3: Establish a Statutory Minimum Safety Rating”* (ROE not Exec. Comp.)
 - Incentivize Utility Rate Reduction *“California stands out as a pronounced outlier”* – tie to national percentile or indices like CPI
 - Victim Restitution as core Utility KPI tied to Financial Incentives
- Quick Wins (Quick and High Impact Initiatives)
 - *“Pathway 2: Equitably Allocate Catastrophe Burdens”*: Full Victim Restitution yields Recovery + Stability + Insurability
 - Close Legislative Loopholes: (“shall” to “may” w/ AB 1054)
 - Disclosures and Declarations for ALL parties
- Prioritize Deregulation and Foster Market Drivers
 - Strategy 2.1.5: Enhance Market Oversight Following Disasters
- Education Focused Legislation (Low Impact and takes time)
 - Mandates not Necessary, Public Incentive Driven





Perspective: “California Stands Out as a Pronounced Outlier”

Figure 4 Changes in Electricity Rates by State



Source: Fox-Penner 2025; Wiser et al. 2025.

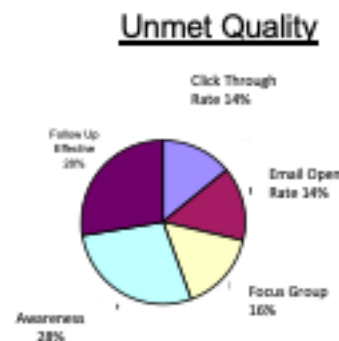
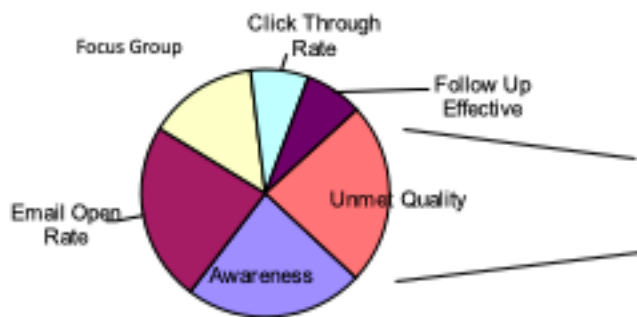
- ✓ CPUC Approved ROE must be Tied to Affordable Rates (CPI and/or National Percentile)

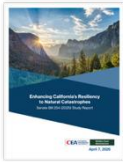
Teaser Slide: ROE tied to Return-On-Safety (ROS), Rate Affordability & Victim Restitution (Obligations MUST drive Utility Corporate Culture and Bottom-Line Incentives)

System Wide Safety QA Metrics	Weight	Quality Measurement	Actual Quality Score
Situational Awareness	5%	66%	
Inspections Distribution	10%	35%	
Inspections Transmission	5%	72%	
Inspections Substations	10%	86%	
Resilience Zones	10%	62%	
PSPS	5%	18%	
System Hardening	20%	27%	
Vegetation Mgmt.	25%	21%	
Public Education	10%	41%	
Overall Wildfire Safety for Utility X	100%	40%	






Quality Attributes for PSPS	Weight	Target Quality Score	Actual Quality Score
Awareness (pre/post test)	30%	98%	60%
Email Open Rate	30%	98%	60%
Click Through Rate	20%	90%	70%
Focus Group	10%	95%	80%
Effective Follow Up	10%	95%	80%
Overall Quality	100%	95.8%	66%

G 85%-100% Meets CPUC Standards
Y 70% - 84% Doesn't Meet CPUC Standards
R 69% and under Well Below CPUC Standards





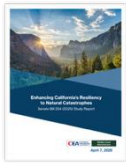
Critical Path Strategic Pillars: Focus on “Quick Wins” and system-wide interconnected initiatives to drive accountability for recovery and resiliency throughout the State

Communications	Alert Systems/Solutions	Fire Safety Standards	Strategic Partnerships	Financial and Insurance
				
<p>Establish Technical Support Teams</p> <ul style="list-style-type: none"> ✓ Subject Matter Experts to address and coordinate key short/mid-term recovery initiatives across local municipalities ✓ Form Community Advisory Committee (CAC) to provide ground truth and ensure coordination across municipalities 	<p>Form Cohesive Alert and Warning Strategy</p> <ul style="list-style-type: none"> ✓ Draft/Coordinate RFP process to get private sector solutions without funding identified (tech, other) ✓ Standardize existing NIXLE alerts to ensure clear/consistent messages across municipalities*** ✓ Streamline and measure existing alert processes** 	<p>Develop Best-In-Class Models for Fire Preparedness</p> <ul style="list-style-type: none"> ✓ Standards and Incentive Program for Home Hardening ✓ Standards and Incentive Program for Fuel Reduction ✓ Targeted Fire Breaks leveraging existing resources ✓ Work with existing rule 20A & local ordinances to underground power in fire-prone zones 	<p>Set Private/Public Partnerships towards Resiliency Initiatives</p> <ul style="list-style-type: none"> ✓ Working group to map social safety net related to resiliency ✓ Identify overlap and underserved communities ✓ Form Insurance Collaborative* w/ Fire Prevention Officials to mitigate insurance risks and prevent insurance scarcity 	<p>Identify Private Funding Opportunities to Support Resiliency</p> <ul style="list-style-type: none"> ✓ Identify business advocates to infuse public capital into resiliency initiatives ✓ Develop targeted strategies toward recovery and resiliency that attract private donors and diversify funding streams

* Build off Boulder County Model and Sonoma Clean Power w/ point system

** Cycle Time/Response Time Measures drive system and process integration in Emergency Systems

*** Quick Win to provide basic standards w/ current systems (close loop, standard indices/scales)

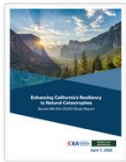


Example: Science-Based Cross Sector and Utility Integrated Land Management

- Fire Break/Fire Retardation is Strategic Imperative
 - Landscape plan checklist includes only fire-safe plantings and suggests increases in defensible space
 - Optional Landscape Inspection offered to residents with significant percentage off water bill as incentive
- Water-Shed Support is Strategic Imperative
 - Landscape plan checklist favors plants that benefit watershed
 - Optional Landscape Inspection offered to residents with moderate percentage off water bill as incentive
- Drought Tolerant Plantings are a Priority
 - Landscape plan checklist includes only drought tolerant plants
 - Optional Landscape Inspection offered to residents with percentage off final inspection fee as incentive
- Reforestation is a Priority
 - Landscape plan checklist favors planting indigenous trees
 - Optional landscape inspection offered to residents with percentage off final inspection fee as incentive

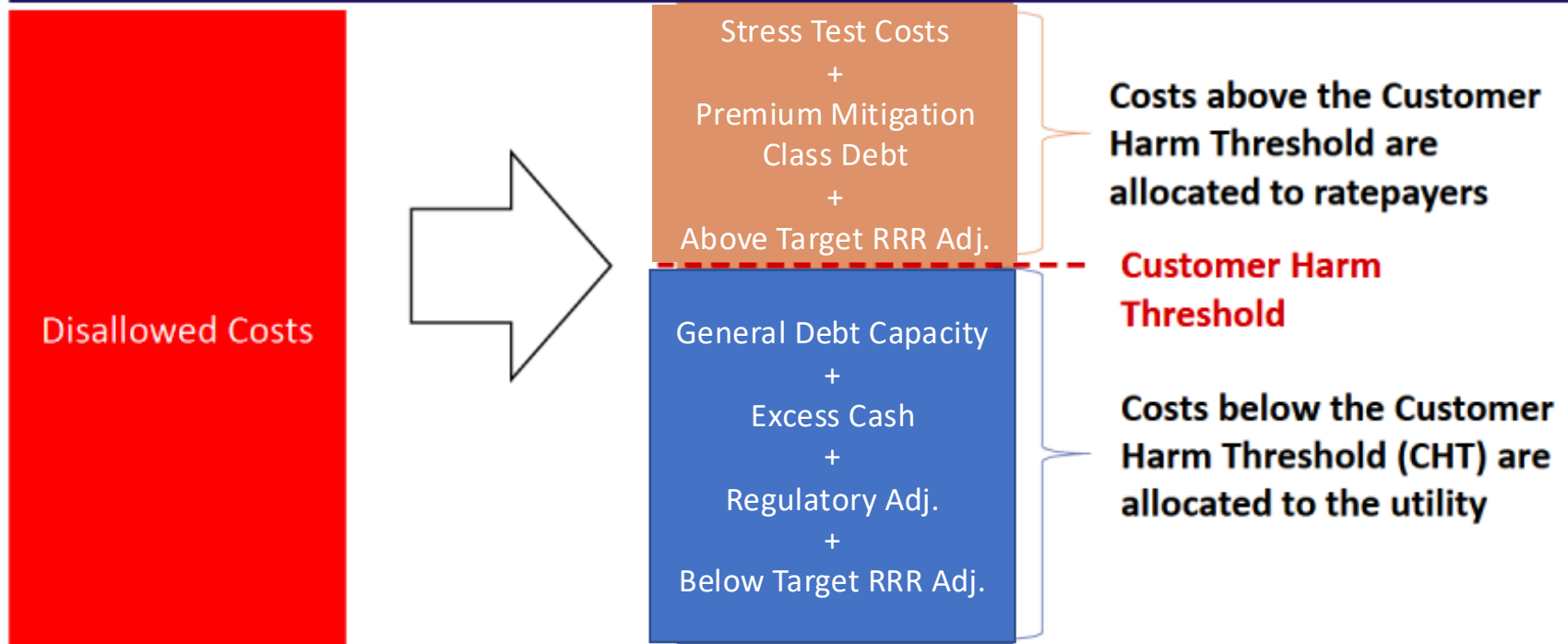


- ✓ Current “Tyranny of the Or” challenges where water conservation OR watershed OR fire-wise plantings OR forest management OR energy grid safety are viewed as competing interests
- ✓ Prescriptive/Targeted Solutions driven by task force of urban planners and natural science community rather than current one-size fits all proposals from particular special interests
- ✓ US Forestry Service Lab, CAL Fire Urban Planning Dept., science Labs, Utility/Insurance R&D informing insurance industry and other diverse groups provide best practice sharing

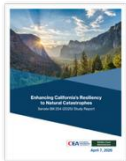


Wildfire Cost Recovery: Balance Stakeholder Interests and Protect California Economy Increase Risk Mitigation and Utility Performance with Financial Investment Incentives

Impact of the Customer Harm Threshold on Disallowed Costs



- ✓ **Modified Debt Classification to Spur Investment in Mitigation/Safety**
 - Aligns higher ROE for Investors with Safety, Security and Reliability Needs of Public
 - Shifts the scales in favor of long-term investment over short-term investor gains
 - Tie Risk Reduction Ratios to financial incentives and penalties
 - Tie Measurable Climate Change Adaptation Innovation (think tank, MAA) to incentives



The Great Chicago Fire

- ✓ October 8th 1871 Largest Fire in US History (October 8th, 2017 largest destruction from fire in CA history)
 - 17,500 Buildings Destroyed, 300 lives lost (CA Fires 8,900 Buildings Destroyed, 44 lives lost)
- ✓ Another Fire “The Second Fire of Chicago” broke out in 1874 and prompted Post Fire Response:
 - Complete Rewrite of Fire Standards as Insurance Companies refused to underwrite new policies unless changes were made (local government collaboration with insurance companies)
 - Complete Overhaul of Fire Department Structure with new Fire Academy formed to teach to new standards
 - New regulations mandated all homes be built of brick, no tar roofs and other measures
 - Increased size of water mains and incentives for residents to adhere to fire safety standards
- ✓ How were these fire-safety initiatives accomplished?
 - Needs assessments and programmatic assessments of programs through collaboration with private companies, nonprofits and community members
 - Turned to private/public partnerships to solve hard problems like alert systems and building practices
 - Business financial contributions and Federal/State Funds were found once initiatives were identified and sized
 - Cross Sector Collaboration is a MUST