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BACKGROUND

Tuesday, October 20, 2026
12:30pm
1021 N Street, Room 1100

OVERSIGHT HEARING

California's Utility Wildfire Safety Regime

Findings:

- *Utility wildfire mitigation efforts have cut ignitions but have not eliminated sparks or shutoffs. Reported utility ignitions in high fire-threat districts fell to 90 in 2025, about half the eight-year average. Yet last week SCE and PG&E still cut power to more than 150,000 customers, and shutoff events rose in 2024 after years of decline. Shutoffs are meant to be a shrinking stop-gap, but they remain a frontline tool as climate-driven fire weather intensifies.*
- *The utility wildfire safety regime has focused on distribution while transmission risk goes largely unmeasured. The three large utilities define "transmission" differently, and none can show a transmission-specific risk trend. SCE flagged a gap in its first plan in 2019 and still has no line-by-line risk analysis of its 305 miles of de-energized transmission.*
- *The review processes measure effort more than outcomes. Wildfire mitigation plans count targets met, the CPUC's risk filings count dollars of risk avoided, and safety culture assessments count survey scores. None seem to test whether the riskiest assets are fixed first.*

Just last week, beginning around October 14, a low-pressure system moving toward the West Coast drove Santa Ana winds across Southern California, while Northern California had been under a high-wind event since as early as October 10. Forecasts of dry air, strong winds and warm temperatures led Southern California Edison (SCE) to consider shutting off power to almost 259,000 customers across seven counties, most in Ventura and Los Angeles counties.¹ By the morning of October 16, SCE had turned off the power ("de-energized") nearly 70,000

¹ From Wednesday, October 14, 2026, 7:06pm, situation email from SCE.

customers in those two counties.² Pacific Gas and Electric (PG&E) expanded its warning to 88,000 customers in 29 counties for a shutoff running from Wednesday evening, October 14, through Saturday afternoon; by Thursday, October 15, about 87,500 had lost power.³ Power has since been restored⁴ for both utilities' customers.

Last week's wind event was a reminder that California's fire weather is getting harder, not easier, to manage. Conditions like these are becoming more common. Extended drought and bark beetle infestation have raised tree mortality and dried out fuels, while the Santa Ana and Diablo winds that damage utility lines also drive the spread of any fire that results.^{5,6} Climate change, together with growth in fire-prone areas, has intensified the frequency and severity of catastrophic wildfires.

Since the passage of AB 1054 (Holden, 2019), seven years of system hardening, expanded inspections and enhanced vegetation management have reduced utility ignitions, but they have not eliminated them. Yet mitigation costs are projected to keep rising, with PG&E's own risk filing projecting the climate-driven share of its wildfire risk will rise through 2030.⁷ When winds exceed what even a hardened utility system can safely withstand, utilities still rely on shutting off power. The California Public Utilities Commission (CPUC) calls this trade-off of reliability for safety a "last resort."⁸

Last week, fires still started. In Los Angeles County, brush fires broke out in Malibu (Bryson Fire) and a fire in Azusa.⁹ In Orange County, the Norte Fire burned at least 570 acres near San Clemente and San Juan Capistrano and damaged or destroyed at least six homes.¹⁰ The causes of these fires have not been reported. Whatever their origin, these fires show how climate-driven fire weather – drier fuels paired with strong winds – can turn any spark, utility-caused or not, into a fast-spreading fire. This is why preventing ignitions and limiting their spread must go hand in hand. The stakes are clear: this wind event came 10 weeks after investigators concluded that the Eaton Fire, which killed 19 people, was caused by arcing on an out-of-service SCE transmission tower.¹¹

The purpose of this oversight hearing is to examine whether the present safety regime is working and what consequences follow when it does not. First, it asks whether the utility

² Mario Ramirez, "Nearly 70,000 without power in Southern California as Santa Ana winds raise wildfire risk," *Fox11 Los Angeles*, October 16, 2026; <https://www.foxla.com/news/southern-california-edison-power-shutoff-santa-ana-winds-fire-risk>

³ From Thursday, October 15, 2026, 11:30am, situation email from PG&E.

⁴ As of Sunday, October 18, 2026.

⁵ Wayman, R.B., & Safford, H.D. (2021). "Recent bark beetle outbreaks influence wildfire severity in mixed-conifer forests of the Sierra Nevada, California, USA." *Ecological Applications*, 31(3), e02287. <https://doi.org/10.1002/eap.2287>

⁶ Keeley, J.E., Guzman-Morales, J., Gershunov, A., Syphard, A.D., Cayan, D., Pierce, D.W., Flannigan, M., & Brown, T.J. (2021). "Ignitions explain more than climate or weather in driving Santa Ana Wind fires." *Science Advances*, 7(30), eabh2262. <https://doi.org/10.1126/sciadv.abh2262>

⁷ 1. CPUC Safety Policy Division, Evaluation Report on PG&E 2024 RAMP Application, A.24-05-008 (Nov. 8, 2024), Executive Summary (Table 1).

⁸ <https://www.cpuc.ca.gov/psps/>

⁹ Fox11 Digital Team, "Malibu Bryson Fire containment grows as firefighters face Santa Ana winds," *Fox11 Los Angeles*, October 16, 2026, <https://www.foxla.com/news/malibu-bryson-fire-santa-ana-winds-power-shutoffs>

¹⁰ M. Deliso and N. El-Bawab, "Wildfire burns at least 570 acres in Orange County, California, officials say," *ABC News*, October 17, 2026, <https://abc7news.com/story/evacuation-orders-issued-wildfire-burns-orange-county-california/19945260/>

¹¹ County of Los Angeles Fire Department, press release, *County of Los Angeles Fire Department Releases the Investigative Reports on the Cause of the Eaton Fire* (Aug. 4, 2026); CAL FIRE & LACoFD, Investigation Report, Case No. 25CALAC009087. <https://lacounty.gov/2026/08/04/county-of-los-angeles-fire-department-releases-the-investigative-reports-on-the-cause-of-the-eaton-fire/>

wildfire safety regime the Legislature and regulators built after 2017¹² – wildfire mitigation plans, annual safety certificates, and the Wildfire Fund – has actually lowered the risk that utility equipment ignites a catastrophic fire. Second, it asks what happens to a utility – its shareholders and its executives – when it gets that job wrong, and whether those consequences are sufficient. To answer both, the hearing will also explore whether there is a shared understanding of what a successful utility wildfire safety regime looks like, so that everyone is working toward the same goal.

This hearing is the first in a series examining the wildfire crisis in the state. It covers two things: the work done so far, and the work that remains, to reduce utility-caused ignitions, limit their spread, and lessen the impact of mitigation measures on customers. The second hearing – on October 28, 2026 – will examine the generational investments underway by our state’s utilities, utility financing, and the financial strain created by the state’s climate risks. Other issues are equally important, including fast and fair payment to wildfire victims, statewide insurance availability, Wildfire Fund durability, and community and state mitigation and response work. These fall outside this committee’s jurisdiction. They are closely connected, though, and will require coordinated solutions.

This hearing also builds on the Committee’s earlier wildfire work. In February 2025, this Committee examined the January 2025 Southern California power shutoffs and restoration;¹³ in March 2025, the cost of utility wildfire spending to ratepayers;¹⁴ and in May 2026, options for a durable wildfire recovery systems.¹⁵ This hearing turns to the questions those hearings left open: what a successful safety regime looks like, whether the current regime is working, and what consequences follow when it does not.

I. California’s Utility Wildfire Safety Regime.

Following devastating wildfire seasons in 2017 and 2018, the Legislature passed several bills increasing oversight of utilities and enhancing requirements to mitigate against utility-related wildfires. These bills included SB 901 (Dodd, Chapter 626, Statutes of 2018) and AB 1054 (Holden, Chapter 79, Statutes of 2019). These bills included more detailed requirements for investor-owned utility (IOU) wildfire mitigation plan (WMP) filings, created a separate Office of Energy Infrastructure Safety (Energy Safety) under the Natural Resources Agency to evaluate the WMPs,¹⁶ added an annual safety culture assessment of the IOUs, established the Wildfire Safety Advisory Board and mandated that publicly-owned utilities and electric cooperatives (POUs) submit WMPs to the Board, established a safety certification process at Energy Safety, and created a \$21 billion Wildfire Fund to reimburse eligible claims arising from covered wildfires caused by participating IOUs. The capitalization of the Wildfire

¹² Starting with the passage of SB 1028 (Hill, 2016) which established wildfire mitigation plans in statute.

¹³ Assembly Utilities and Energy Committee, *Utility Wildfire Preparedness and Response: Focus on the 2025 Southern California Power Outages and Restoration*, Feb. 19, 2025, https://autl.assembly.ca.gov/system/files/2025-02/02.19_wildfire-preparedness-oversight-hearing-background.pdf

¹⁴ Assembly Utilities and Energy Committee, *Energy Affordability: Wildfire Spending*, Mar. 5, 2025, https://autl.assembly.ca.gov/system/files/2025-03/03.05_wildfire-spending-oversight-hearing-background.pdf

¹⁵ Assembly Utilities and Energy Committee, *Improving the Utility-Caused Wildfire Recovery System for Survivors, Ratepayers, and Other Stakeholders*, May 13, 2026, https://autl.assembly.ca.gov/system/files/2026-05/05.13.2026_background.pdf

¹⁶ The statute initially stood up the Wildfire Safety Division at the CPUC, with a requirement that Energy Safety be a successor to this Division, effective July 1, 2021. See AB 111 (Committee on Budget, Chapter 81, Statutes of 2019)

Fund's \$21 billion in claim-paying capacity is split between contributions from the participating IOUs and surcharges on the IOUs' non-exempt ratepayers.¹⁷

In September 2025, the Legislature passed SB 254 (Becker, Chapter 119, Statutes of 2025), which among its many provisions created an \$18 billion Continuation Account, separate from the Wildfire Fund, to fund covered wildfires that ignite after 2025. The Account, like the Wildfire Fund, is funded equally by ratepayer charges and IOU shareholder contributions. SB 254 also included modifications to wildfire risk mitigation requirements and clarification of oversight roles between Energy Safety and the CPUC; coordination of planning and design information sharing for underground infrastructure projects; and additional transparency, auditing, and accountability requirements for IOU operations and executive compensation. A chronicle of this history is provided in Appendix A.

The Key Players

CPUC: Sets rates, decides whether wildfire costs are prudent and recoverable, levies fines, and oversees Public Safety Power Shutoff (PSPS) rules.

Energy Safety: Approves IOU WMPs, issues annual safety certificates, approves executive incentive structures, inspects field work and issues Notices of Violation.

Wildfire Fund Administrator (California Earthquake Authority): Pays eligible claims above \$1 billion from the Wildfire Fund and decides whether a utility acted with "conscious or willful disregard"

Wildfire Safety Advisory Board (WSAB): Reviews and advises on WMPs of publicly owned utilities and electric cooperatives.

Federal Energy Regulatory Commission (FERC): Sets transmission rates, including recovery of transmission wildfire costs.

Publicly-owned Utilities (POUs): (e.g., Sacramento Municipal Utility District, SMUD; or Los Angeles Department of Water and Power (LADWP)) Not subject to CPUC jurisdiction, but adopts WMPs and submits them the WSAB for review.

For California's IOUs, the post-2019 regime rests on a trade: IOUs that plan and execute wildfire mitigation under state oversight receive a safety certificate, and the certificate gives them a presumption of prudence and access to a shared Wildfire Fund.

A. How the Pieces Fit Together.

For an IOU, the regime runs on two tracks that meet in the rate case. On the safety track, the utility files its WMP with Energy Safety, which reviews it for risk reduction and approves or denies it. The CPUC reviews costs afterward. On the cost track, the utility files a Risk Assessment and Mitigation Phase (RAMP) application with the CPUC every four years, ahead of its general rate case (GRC). The RAMP is an enterprise-wide assessment of the utility's top safety risks — wildfire alongside gas, seismic and cybersecurity risks — and the mitigations it proposes, each compared by a cost-benefit ratio that puts a dollar value on safety and reliability. Its wildfire chapter covers many of the same programs as the WMP —

¹⁷ https://www.cawildfirefund.com/sites/wildfire/files/documents/2025/2025_cwf_annualreport_final.pdf

undergrounding, covered conductor, fast-trip settings, PSPS — and draws on WMP data, but the two are separate filings on separate schedules: PG&E's 2024 RAMP, for example, was filed nearly a year before its 2026–2028 WMP.^{18,19} The RAMP's findings and the approved WMP both feed into the IOU's general rate case (GRC), where the CPUC authorizes the funding that pays for the wildfire work. When that funding differs from the plan, the utility amends its WMP to match, as SCE did in June 2026.²⁰

Energy Safety then checks execution through field audits, independent evaluators and Annual Performance Reports, and can issue Notices of Violation. Separately, the utility requests a safety certificate from Energy Safety each year under Public Utilities Code § 8389. Energy Safety issues the certificate if the utility has an approved WMP, a board-level safety committee, a completed safety culture assessment with follow-through on its recommendations, and an executive compensation structure that Energy Safety has approved as prioritizing safety. The certificate is valid for 12 months. Holding a valid certificate applies a presumption of prudence to IOU rate recovery requests for covered wildfires. With a certificate, the CPUC must treat the utility's conduct as reasonable “unless a party to the proceeding creates a serious doubt.” Additionally, a valid certificate caps the repayment requirement IOU shareholders must pay back to the Wildfire Fund. So IOUs are strongly motivated to hold safety certifications, and thus continuously improved WMPs. SCE's pre-Eaton certificate was issued December 11, 2024, and was valid for 12 months.²¹

For POUs the process is far simpler. Each prepares a WMP that its own governing board approves, engages an independent evaluator to review it, and submits it to the WSAB. This occurs every year until 2025, and due to SB 254 at least once every four years. WSAB reviews the plans and issues advisory opinions, but cannot approve, deny nor enforce them. The POU process has no safety certificate, RAMP, CPUC rate case or Wildfire Fund access; each utility's board decides how much to invest. Section VI compares the two models in more detail.

The CPUC reports about \$40 billion in authorized wildfire costs from 2019 to 2024 – about \$250–\$490 a year per residential customer. Wildfire costs made up 27% of PG&E's 2024 revenue requirement and 17% of SCE's and SDG&E's.²² CAL FIRE's resilience funding of \$440 million in 2024–25 is roughly an order of magnitude below utility spending, and the Committee is currently unaware of any thorough audit of that spending.

B. The Wildfire Fund.

AB 1054 created a fund of about \$21 billion to pay claims from utility-caused fires above \$1 billion. SB 254 added an \$18 billion Continuation Account for fires after September 19, 2025. A utility found imprudent must reimburse the Fund, but only up to a cap of 20% of its transmission and distribution equity rate base over three years. The cap disappears only if the utility lacked a certificate or the Administrator finds “conscious or willful disregard of the

¹⁸ 1. Office of Energy Infrastructure Safety, Decision for the PG&E 2026–2028 Base WMP, TN17519 (Feb. 5, 2026), Executive Summary and §§4, 8.2.1.3–8.2.1.4, 8.2.5.1

¹⁹ 1. CPUC Safety Policy Division, Evaluation Report on PG&E 2024 RAMP Application, A.24-05-008 (Nov. 8, 2024), Executive Summary (Table 1) and Wildfire chapter Summary of Findings

²⁰ Office of Energy Infrastructure Safety, Decision for SCE's 2026–2028 Base WMP Petition to Amend, TN18203 (June 12, 2026), citing D.25-09-030 (SCE 2025 GRC)

²¹ <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=57709&docket=2024-SCs&shareable=true>

²² CPUC SB 695 Report, September 2025, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/2025-sb-695-report_093025.pdf?utm_source=chatgpt.com

rights and safety of others.”²³ In April 2026, the Administrator estimated that a durable fund would need about \$36 billion.²⁴

The Eaton Fire has already tested the Fund's limits. In September 2025, SCE reported a settled claim that qualified Eaton as a “covered wildfire,” and the Administrator's 2025 annual report warned that resulting claims may fully exhaust the original Fund.²⁵

C. Undergrounding Plans.

SB 884 (McGuire, 2022) lets a large utility seek approval of a 10-year electrical undergrounding plan outside the WMP cycle. Energy Safety reviews the plan for risk reduction and the CPUC then reviews its costs, each within nine months. Every project in the plan must show a benefit-cost ratio above 1 and be compared with alternatives such as covered conductor paired with fast-trip settings over a 55-year horizon.²⁶ An independent monitor reports annually, and the utility files progress reports every six months. The plan sits alongside the WMP rather than inside it: a utility can still underground lines through its WMP and rate case, but only projects that meet the undergrounding plan’s test can be funded through it. The undergrounding plans have been slow to start. Energy Safety finalized its guidelines in February 2025, the CPUC revised its own in December 2025 and is still deciding the cost-benefit methodology (A.26-02-005). PG&E was the first utility to file its 2028–2037 plan, on September 30, 2026. Energy Safety will rely on six-month progress reports and an annual Independent Monitor assessment to track it.

II. Reviewing the Regime.

Three separate processes judge utility wildfire safety, each from a different angle. The past seven years has shown real gains in how utilities model risk and clear backlogs in grid hardening work. But also that the processes value risk differently, track inputs more than outcomes, and can rate a utility well in the same year it starts a catastrophic fire.

Table 1. Utility Wildfire Safety Assessments

Process	Run by	Cycle	What it does	Feeds into
Wildfire Mitigation Plan (WMP)	Energy Safety	Four-year base plan with updates (SB 254 revised cycle to align with rate cases)	Approves, modifies, or denies each plan; issues Areas for Continued Improvement (ACIs); audits execution.	Safety certificate; CPUC cost review in the GRC
Risk Assessment and Mitigation Phase (RAMP)	CPUC	Every four years, ahead of each utility's GRC	Utility ranks its top safety risks and compares mitigations by monetized cost-benefit ratio.	GRC funding

²³ Public Utilities Code § 451.1(b)–(c) (prudence standard and presumption); § 3292(h) (Wildfire Fund reimbursement and cap); § 8389 (safety certification).

²⁴ California Earthquake Authority, as Wildfire Fund Administrator, Enhancing California’s Resiliency to Natural Catastrophes: Senate Bill 254 (2025) Study Report (Apr. 7, 2026), <https://www.cawildfirefund.com/sites/wildfire/files/documents/2026/sb254-natcatresiliencyreport-locked-4-7-26.pdf>.

²⁵ https://www.cawildfirefund.com/sites/wildfire/files/documents/2025/2025_cwf_annualreport_final.pdf

²⁶ CPUC Resolution SPD-37, December 2025

Process	Run by	Cycle	What it does	Feeds into
Safety Culture Assessment (SCA)	Energy Safety, with the National Safety Council	Annual	Workforce survey, management self-assessment and focus groups; recommendations	Safety certificate (PUC § 8389 (d)(4))

A. WMPs: from 2019 to 2026.

The first plans, filed in February 2019, were reviewed by the CPUC on SB 901's three-month schedule. The CPUC called them “only the first of what we anticipate will be many” plans, found risk assessments were often “a black box,” said the plans “do not always show that electrical corporations are targeting the area of greatest risk,” and noted that proposed metrics focused on inputs “such as the numbers of trees cut down.”²⁷ The CPUC also made clear that approving a plan “does not constitute approval of the costs” and that SB 901 “did not redefine the 'prudent manager' test.”

The utilities' own 2019 plans and year-end progress reports show how far the work has scaled, and what has not changed, as demonstrated in Table 2 below. In short, distribution hardening grew from hundreds of miles a year to thousands, and spending from hundreds of millions to tens of billions. The transmission questions SCE flagged in its first plan remain open seven years later.

Table 2: Rough Comparison of 2019 and 2026 WMPs by Large IOU.

Utility	2019	2026
PG&E	Hardened 171 miles against a 150-mile goal, toward 7,100 miles over 10 years; enhanced inspections of ~50,000 transmission structures and 685,000 distribution poles; wildfire spending of ~\$750 million (2016) ²⁸	\$18.6 billion planned for 2026–2028; 360 miles of undergrounding planned for 2026 alone; fast-trip settings on 44,846 distribution miles. ²⁹
SCE	Installed 372 miles of covered conductor against a 96-mile goal; undergrounding only “evaluated” (~45 miles of potential scope); said the “limited quantity of ignitions associated with transmission infrastructure has limited the analysis” and planned more study. ³⁰	7,170+ miles of covered conductor and ~100 miles undergrounded; still “has not produced a similar transmission-only analysis;” no line-by-line risk analysis of its 305 miles of de-energized transmission. ³¹
SDG&E	Hardened all 10 planned transmission miles and 83 of 85 distribution miles;	Treats transmission hardening as complete and so omits it from its

²⁷ CPUC, D.19-05-036, Guidance Decision on 2019 Wildfire Mitigation Plans (May 30, 2019), at 3–5, 20, 29, 33, 38. See also Energy Safety;

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M296/K577/296577466.PDF>

²⁸ 47. Pacific Gas and Electric Company, Wildfire Mitigation Plan, R.18-10-007 (filed Feb. 6, 2019), and Second Amendment (Apr. 25, 2019).

²⁹ Office of Energy Infrastructure Safety, Decision for the PG&E 2026–2028 Base WMP, TN17519 (Feb. 5, 2026), Executive Summary and §§4, 8.2.1.3–8.2.1.4, 8.2.5.1.

³⁰ Southern California Edison, 2019 Wildfire Mitigation Plan, R.18-10-007 (filed Feb. 6, 2019), §§3.2.1.4–3.2.1.5 and 4.3, and Southern California Edison, 2019 Wildfire Mitigation Plan Progress Update, R.18-10-007 (Jan. 15, 2020), data as of Dec. 31, 2019.

³¹ Office of Energy Infrastructure Safety, Decision for the SCE 2026–2028 Base WMP, TN17659 (Feb. 23, 2026), Executive Summary and §§8.2.1.7, 8.2.5, 8.4 (SCE-26B-12).

Utility	2019	2026
	undergrounded 2.6 miles against a 1.25-mile goal. ³²	risk model; Energy Safety now requires transmission risk modeling. ³³

Moreover, the plans today are far more detailed – PG&E's 2023–2025 plan exceeded 1,600 pages. Despite this, Energy Safety has begun to reject them. For instance, Energy Safety denied Liberty Utilities' 2026–2028 WMP after Liberty failed to resolve five of 10 critical issues, most tied to a risk model Energy Safety had questioned since 2023. Liberty must refile between August and November 2026.³⁴

Energy Safety issued about 20 new ACIs each to PG&E, SCE, San Diego Gas & Electric (SDG&E), and PacifiCorp in this cycle. The three large IOUs project \$26.6 billion in WMP spending over 2026–2028 – \$18.6 billion for PG&E, \$7.0 billion for SCE and \$1.04 billion for SDG&E – about 70% of it for grid design, operations, and maintenance.³⁵

B. The RAMP.

Before each four-year general rate case, PG&E, SCE, SDG&E and SoCalGas file a RAMP identifying their top safety risks and the mitigations they propose to fund. Since D.22-12-027, utilities must put a dollar value on safety and reliability so that every mitigation gets a cost-benefit ratio. In 2024, the CPUC added rules for modeling low-probability, catastrophic “tail” events.³⁶ The modeling reveals which mitigations look worthwhile. The CPUC’s Safety Policy Division (SPD) evaluates each RAMP filing ahead of its GRC. Some trends in recent years include:

- **The cheapest tools score best.** SPD found PG&E's cost-benefit ratios were 51.9 for fast-trip settings (EPSS) and 42.8 for PSPS, against 17.8 for overhead hardening and 7.9 for undergrounding. Covered conductor delivers 65% of undergrounding's risk reduction at 37% of the cost.³⁷
- **Catastrophe is hard to model.** Only 1.3% of PG&E's ignitions lead to catastrophic outcomes, a figure SPD says rests on few data points.³⁸ SCE argues the CPUC’s preferred method, which caps tail risk at historical values, would understate risk after January 2025, and has proposed a new hybrid model combining fire-spread simulations with catastrophe-model data.³⁹

³² San Diego Gas & Electric, Wildfire Mitigation Plan, R.18-10-007 (filed Feb. 6, 2019), and Response to ALJ Ruling Requiring Updated Progress Reports (Jan. 15, 2020).

³³ Office of Energy Infrastructure Safety, Decision for the SDG&E 2026–2028 Base WMP, TN17480 (Feb. 2, 2026), Executive Summary and §2.1; and Office of Energy Infrastructure Safety, Transmission Specific Areas for Continued Improvement (ACIs), 2020–2026, response to Assembly U&E Committee data request (Sept. 28, 2026).

³⁴ 36. Office of Energy Infrastructure Safety, Decision on the Liberty Utilities (CalPeco Electric) 2026–2028 Base WMP, TN17833 (Apr. 1, 2026).

³⁵ Office of Energy Infrastructure Safety, Decision for the PG&E 2026–2028 Base WMP, TN17519 (Feb. 5, 2026), and Office of Energy Infrastructure Safety, Decision for the SDG&E 2026–2028 Base WMP, TN17480 (Feb. 2, 2026), and Office of Energy Infrastructure Safety, Decision for the SCE 2026–2028 Base WMP, TN17659 (Feb. 23, 2026).

³⁶ D.24-05-064

³⁷ CPUC Safety Policy Division, Evaluation Report on PG&E 2024 RAMP Application, A.24-05-008 (Nov. 8, 2024), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-policy-division/reports/spd-evaluation-report-2024-pge-ramp-final-with-attachments.pdf>

³⁸ *Ibid.*

³⁹ Southern California Edison, SCE 2026 RAMP Wildfire Power Law White Paper (Nov. 3, 2025), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-policy-division/meeting-documents/sce-2026-ramp-power-law-white-paper_nov-2025.pdf

- **Risk is unevenly shared.** Disadvantaged communities hold 16% of customers in PG&E's high fire-risk area but 31% of its wildfire risk.⁴⁰
- **The analysis doesn't always drive the spending.** SDG&E told SPD that its risk tranches do “not necessarily drive the decision-making process for Wildfire and PSPS grid hardening investments.” SPD called this “a material transparency gap.”⁴¹ SPD also found PG&E treats previously funded programs as an “almost automatic green light” and offers alternatives that are “often not realistic.”⁴²

Despite these flaws, SPD has not recommended rejecting the IOUs’ filings, nor does it verify cost estimates, leaving those to the rate case.

C. Safety Culture Assessments (SCAs).

Each year Energy Safety assesses the safety culture of each IOU's electric operations through a third-party workforce survey (30 statements, scored 1–5), a 22-question management self-assessment, and focus groups. A completed assessment is a condition of the safety certificate.⁴³ Table 3 summarizes the 2024 assessments, conducted December 2024 to November 2025 and published December 19, 2025, cover the year before the Eaton Fire.

Table 3. Summary of the 2024 SCAs for the three large IOUs.

Utility	Workforce survey (Score 1-5)	Management self-assessment	Energy Safety's main concern
SCE	4.28 average, up from 4.17 All 30 statements improved; wildfire safety category 4.31	Highest maturity on 19 of 22 questions.	Focus groups out of step with survey results; vague objectives; “concerned that SCE’s lack of focus, insufficient seriousness, and insufficient commitment” to the process undermines its safety culture. ⁴⁴
PG&E	Flat; all but one statement slipped slightly (largest drop 0.05). 24 of 30 rated high.	Organization “working to improve”	Trust, leadership accountability, and production pressure that could encourage shortcuts. ⁴⁴
SDG&E	All 30 statements slipped from 2023. 24 rated high.	Highest maturity on all 22 questions	A gap between management’s view and workers’ view;

⁴⁰ CPUC Safety Policy Division, Evaluation Report on PG&E 2024 RAMP Application, A.24-05-008 (Nov. 8, 2024), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-policy-division/reports/spd-evaluation-report-2024-pge-ramp-final-with-attachments.pdf>

⁴¹ CPUC Safety Policy Division, Evaluation Report on Sempra's 2025 RAMP Applications, A.25-05-010 et al. (filed Oct. 10, 2025), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-policy-division/reports/safety-policy-division-evaluation-report-on-sempras-2025-ramp-applications.pdf>

⁴² CPUC Safety Policy Division, Evaluation Report on PG&E 2024 RAMP Application, A.24-05-008 (Nov. 8, 2024), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-policy-division/reports/spd-evaluation-report-2024-pge-ramp-final-with-attachments.pdf>

⁴³ Office of Energy Infrastructure Safety, 2024 Safety Culture Assessment Report for PG&E, TN17300 (Dec. 19, 2025), <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59958&docket=2024-SCAs&shareable=true>

⁴⁴ Office of Energy Infrastructure Safety, 2024 Safety Culture Assessment Report for SCE, TN17299 (Dec. 19, 2025), <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59957&docket=2024-SCAs&shareable=true>

Utility	Workforce survey (Score 1-5)	Management self- assessment	Energy Safety's main concern
			possible under-reporting of near misses. ⁴⁵

The assessments measure how employees perceive safety, not wildfire outcomes. SCE posted its best scores for 2024, the year that ended weeks before the Eaton Fire, and two of the three utilities rate their own culture at or near the top of the scale while their workers rate it lower. All three were told to examine whether production pressure encourages risk-taking.

D. Evaluating the Three Processes Together.

Taken together, the three processes describe a regime that is maturing unevenly. Every large utility now models distribution risk in detail, but SDG&E has no transmission model, PacifiCorp has only just built an overall risk measure, and Liberty's plan was denied for an invalid model. Energy Safety now tracks open work orders and pole tags, has directed PG&E and SCE to set forward-looking pole replacement targets, and reports that PG&E's backlog is shrinking.

Moreover, rate cases still reshape the plans: SCE's undergrounding target fell by 40% once its rate case decision came out, because Energy Safety approves a plan's risk reduction but the CPUC's funding decides what gets built. The measures also don't line up – the WMP counts targets met, the RAMP counts dollars of risk avoided, and the safety culture assessment counts survey scores – and none directly tests whether a utility's riskiest assets, including transmission, are being fixed first. Nor are lessons from failures built in: SCE's first post-Eaton plan did not explain what went wrong, and Energy Safety approved it while requiring that explanation in future filings.⁴⁶

III. Has Risk Actually Gone Down?

Seven years and tens of billions of dollars into the safety regime, the central question for this Committee is whether California is actually safer from utility-ignited catastrophic fire. This is a harder question to answer than it seems. Energy Safety tracks several kinds of evidence: ignitions, wire-down events and outages that can spark fires; outcomes such as acres burned, structures destroyed and lives lost; and whether utilities complete the work their WMPs promise. Utilities add modeled estimates of how much risk their work has removed.

Yet, each measure of success has limits. Weather drives yearly totals, catastrophic fires are too rare to show a statistical trend, risk models change from one filing to the next, and overlapping mitigations make it hard to credit any single program.

A. Ignitions

As shown in Figure 1, Energy Safety reports 90 reportable HFTD ignitions in 2025, a 51% reduction from the eight-year average of 183.⁴⁷ By utility, 2025 ignitions were 53% below average for PG&E, 42% for SCE and 78% for SDG&E. Energy Safety cautions that SCE and SDG&E have so few ignitions that "ignition data for them do not show a clear trend," and that weather drives yearly totals, so progress must be read as a trend rather than a single year.

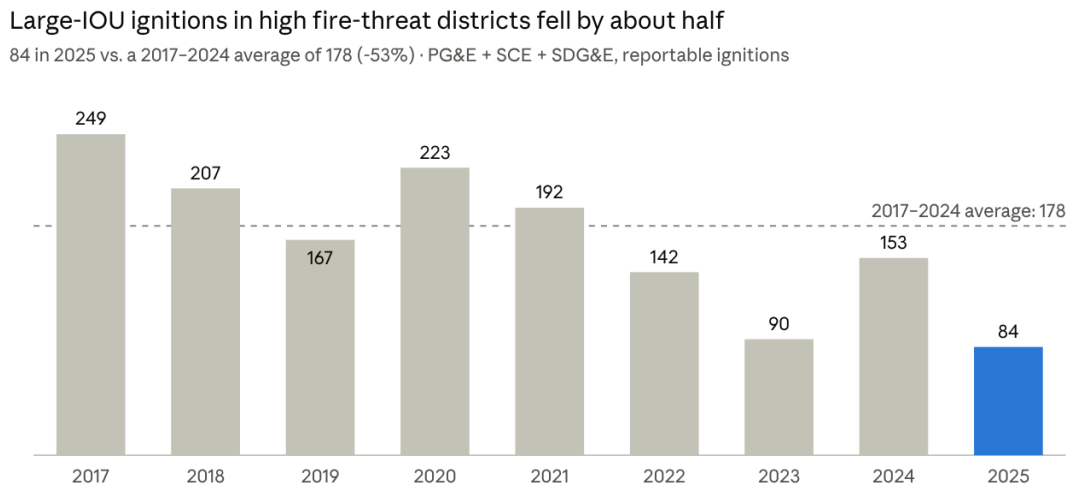
⁴⁵ Office of Energy Infrastructure Safety, 2024 Safety Culture Assessment Report for SDG&E, TN17298 (Dec. 19, 2025), <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59956&docket=2024-SCAs&shareable=true>

⁴⁶ Office of Energy Infrastructure Safety, Decision for the SCE 2026–2028 Base WMP, TN17659 (Feb. 23, 2026), <https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=60317&shareable=true>

⁴⁷ Office of Energy Infrastructure Safety, Responses to Assembly Utilities and Energy Committee data request (Sept. 2026).

For instance, the 2024 rebound, to 153, shows how quickly one dry, windy year can erase the appearance of progress.

Figure 1: Large IOU ignitions by year.



Moreover, ignition counts alone understate what is at stake. Utility infrastructure has historically caused fewer than 10% of reported wildfires, yet power-line fires account for almost half of California's most destructive fires. In 2023, electrical power-caused fires burned 37% of all acres burned.⁴⁸ A regime judged on the number of ignitions can improve on paper while the tail risk posed by the rare catastrophic ignition is unchanged.

B. Inspections.

Energy Safety points to changes in how utilities work, not just in outcomes, as a positive safety change. In 2023 the large IOUs were meeting the minimum vegetation inspection requirements. By 2026 all three inspected high fire threat districts twice a year and prioritized patrols by risk. When PG&E moved to aerial and drone inspections, it began finding emergency (“Level 1”) conditions that years of ground inspections had missed.

C. WMP Targets Meeting Reality.

Annual Performance Reports show utilities generally meeting inspection counts but missing capital construction targets. In 2023, SCE met 46 of 51 targets (90%), but missed both undergrounding and Rapid Earth Fault Current Limiters — the two mitigations it had identified as key in its Severe Risk Areas — so it “did not reduce half of the risk targeted by these two initiatives.” In 2024, SDG&E had targeted 267 poles for strategic replacement but only installed 40 by year end.

D. Complications of Modeling Risk.

SCE’s 2026 RAMP workpaper estimates that modeled wildfire risk in its High Fire Risk Area fell about 67%, from \$19.7 billion in 2018 to \$6.4 billion in 2025, and expected ignitions declined from 283 to 95.⁴⁹ But the estimate is seemingly built backward: SCE starts from 2025 and “unwinds” only two programs – covered conductor and targeted undergrounding,

⁴⁸ California Department of Forestry and Fire Protection (CAL FIRE), 2023 Wildfire Activity Statistics (“Redbook”), Table 7, “Number of SRA Acres Burned by Cause,” p. 12 (listed as “PGTD – Power Generation/Transmission/Distribution”), https://34c031f8-c9fd-4018-8c5a-4159cdf6b0d-cdn-endpoint.azureedge.net/-/media/calfire-website/our-impact/fire-statistics/2023_redbook_final.pdf

⁴⁹ Southern California Edison, 2026 RAMP Workpapers, Ch. 4, Wildfire and PSPS, “Wildfire Overall Residual Risk,” WP-1 (May 2026). Submitted to Committee as part of data request.

both distribution mitigations – while holding consequences constant. SCE told the Committee it has not produced a similar transmission-only analysis. PG&E said its model vintages are not directly comparable and therefore do not provide a consistent basis for evaluating risk trends over time. 2023 was the first year it reported risk-reduction metrics.⁵⁰

E. Data gaps

Energy Safety acknowledges significant gaps in utility data collection that impede our ability to determine the effectiveness of the mitigations. PG&E does not track failure and ignition rates for conductors, connectors and splices separately, even though that combined category has the highest ignition rate of any distribution equipment. SCE records splice failures against the conductor or structure rather than the splice.

IV. Distribution vs. Transmission: Where the Regime Has Looked, and Where It Hasn't.

Six years of mitigation have gone overwhelmingly to the distribution system, even though the Camp and Eaton fires both began on transmission lines. Since 2018, SCE has recorded about \$14.9 million on transmission hardening against about \$5.14 billion on distribution; PG&E's 2026 forecast is about \$15.3 million for transmission against \$1.53 billion for distribution; SDG&E did not provide figures.⁵¹ However, dollars spent are not the sole metric of risk reduction, as there are many more distribution circuit miles than transmission. Nevertheless, the utilities do not even agree on what counts as transmission – PG&E draws the line at 50 kV, SDG&E at 69 kV and SCE at 161 kV – and none can show a transmission-specific risk trend. They cite engineering reasons; for instance, SCE says covered conductor and undergrounding may not be feasible for widescale deployment at transmission voltages.

But Energy Safety has flagged transmission weaknesses at every large utility, including PG&E transmission switches with “high failure and ignition rates,” SCE splice defects that other inspections miss, and SDG&E's lack of any transmission risk model.⁵² Idle lines show the gap most clearly. Energy Safety reports that SCE has 305 miles of de-energized transmission line, portions of it within 1,000 feet of energized lines, but does not currently have a line-by-line analysis of risk for them. Roughly 13 miles are slated for removal. Only after Eaton did Energy Safety and the Legislature require every large utility to define, assess and plan for such lines.

V. Public Safety Power Shutoffs: The Tool of Last Resort.

Public Safety Power Shutoffs (PSPS) are the regime's backstop when hardening is not enough, but the three utilities use them very differently on transmission, measure their benefit differently, and have struggled to warn customers adequately.

When the Committee last reviewed PSPS, in February 2025, it framed shutoffs as a stop-gap while utilities harden their systems, with events expected to become fewer and shorter over time.⁵³ Events had been trending smaller and less frequent until 2024, which showed a marked increase. The CPUC regulates notice, restoration and reporting, but the decision of

⁵⁰ Pacific Gas and Electric Company, Data Request Response to Assembly Utilities and Energy Committee (Oct. 12, 2026).

⁵¹ Provided to Committee from data requests.

⁵² 1. Office of Energy Infrastructure Safety, Transmission Specific Areas for Continued Improvement (ACIs), 2020–2026, response to Assembly U&E Committee (Sept. 28, 2026).

⁵³ Assembly Utilities and Energy Committee, Utility Wildfire Preparedness and Response: Focus on the 2025 Southern California Power Outages and Restoration, oversight hearing background (Feb. 19, 2025); https://autl.assembly.ca.gov/system/files/2025-02/02.19_wildfire-preparedness-oversight-hearing-background.pdf

when to shut off power is “largely left to IOU discretion,” with only the instruction that it be used “as a last resort.” Ahead of the January 7, 2025, windstorm, SCE had more than 400,000 customers under consideration for shutoff – about one-eighth of its customers – and about 350,000 were without power by January 8. LADWP, which had no PSPS program at the time, had about 155,000 customers out.

PSPS on transmission varies widely. SDG&E first de-energized a transmission line for fire safety on October 5–6, 2013 (TL 626), in gusts above 60 mph, and its October 2018 transmission shutoff rested on Red Flag Warnings, forecasts and field observations rather than a specific wildfire risk model threshold. PG&E de-energized eight transmission lines in its first-ever PSPS event, on October 14, 2018. SCE, by contrast, has not de-energized a transmission facility due to the exceedance of transmission-level PSPS de-energization criteria.⁵⁴

Moreover, the IOUs vary in how they assess the effectiveness of a PSPS in preventing a fire. SCE does not report prevented ignition cases alongside PSPS events. PG&E uses the damage and hazards found during post-PSPS event patrols to judge whether an asset could have ignited. Since 2024, SDG&E has gone further, modeling fire spread from each damage location under the event’s weather to estimate the fires a shutoff may have avoided.

SCE has also struggled to warn its customers about its PSPS impact. Utilities must notify public safety partners, critical facilities and customers 48–72 hours, 24–48 hours and 1–4 hours before a shutoff.⁵⁵ The Public Advocates Office (Cal Advocates) reports that SCE’s notification failures are far larger than its peers’ and growing: 383,152 in 2025, up from 34,171 in 2022 (against 2,977 at PG&E and 12,266 at SDG&E in 2025).⁵⁶ In SCE’s January 2–17, 2025 event (the event under way when the Eaton Fire ignited), SCE de-energized 363,051 customer accounts, and 113,488 (31%) received no 24–48 hour advance notice.

At the same time, SCE over-notifies. In most of its events it de-energizes about 20% or less of the accounts it warns, which Cal Advocates says risks “de-sensitizing customers to PSPS notifications.” SCE committed to fix systemic notification problems in both its 2023 and 2024 post-season reports. Cal Advocates has asked the CPUC’s Safety and Enforcement Division to require a corrective action plan and to fine SCE under Resolution WSEB-1, with any remediation costs kept off ratepayers’ bills.

VI. Publicly Owned Utilities.

California’s 51 POUs and electrical cooperatives must also file WMP, but under a less regulatory regime: their own governing boards approve the plans, and the Wildfire Safety Advisory Board (WSAB) can only comment and advise. Table 4 below highlights some of the differences between IOU and POU regulatory oversight in wildfire mitigation activities.

Table 4. Comparison of IOU and POU Safety Regimes.

	IOUs	POUs + co-ops
Who approves the WMP	Energy Safety, which can deny a plan.	The utility’s own governing board; WSAB reviews and advises.
Filing cycle	Four-year Base plan, aligned with rate cases.	Annual until 2025; SB 254 moved filings to at least once every four years on a WSAB schedule.

⁵⁴ IOU responses to data requests (Sept. 2026)

⁵⁵ Public Advocates Office, Comments on Southern California Edison’s 2025 Public Safety Power Shutoff Post-Season Report, R.18-12-005 (Mar. 23, 2026).

⁵⁶ *Ibid.*

	IOUs	POUs + co-ops
Enforcement	ACIs, Notices of Violation, CPUC fines, plan denial.	None; the decision to invest in building their wildfire mitigation capabilities rests with each individual POU.
Safety certificate and Wildfire Fund	Certificate required for Fund access and the prudence presumption.	Not applicable; both apply only to electrical corporations.
PSPS rules	CPUC notice, reporting and restoration rules.	No CPUC requirements; several have not historically planned to use PSPS.
Risk identification	Probabilistic risk models feeding the CPUC's RAMP.	A majority rely solely on the CPUC's high fire-threat district map.

The exposure is not small. Los Angeles Department of Water & Power (LADWP) serves about four million people and has about 990 miles of overhead distribution in Tier 2 and 40 miles in Tier 3. WSAB focused its 2025 review on the 12 POUs and co-ops with overhead lines in high fire-threat districts, and asked LADWP to characterize risk circuit by circuit, explain when it blocks reclosers, explain what would change its view on shutoffs, and report utility-caused ignitions.⁵⁷ WSAB describes itself as a “volunteer board with a small staff” for which reviewing up to 51 plans a year challenged the Board and staff; under SB 254 it no longer must comment on each plan.

The two models trade off differently. IOUs face detailed state review but can recover most costs from ratepayers under a presumption of prudence. POUs face little state review and have no Wildfire Fund backstop, so a municipal utility’s wildfire liability “flows directly to the city itself — and in an extreme scenario could bankrupt it,” in LADWP’s words.⁵⁸ Neither model yet measures results well: WSAB’s review of IOU data found “no trend in the total number of utility-reported ignitions,” only a decreasing trend inside high fire-threat districts, and recommended that Energy Safety require weather-normalized ignition reporting and consistent metrics across utilities.⁵⁹

VII. Accountability When a Fire Happens.

AB 1054 (Holden, 2019) was the Legislature’s response to the 2017–2018 fires and PG&E’s bankruptcy, and it set the terms that govern who pays after a utility-caused fire. It created a \$21 billion Wildfire Fund, financed by utility shareholder contributions and a surcharge on ratepayers, to pay eligible claims so that a single catastrophic fire would not bankrupt a utility. It tied access to the Fund to an annual safety certificate from what is now Energy Safety. It rewrote the prudence standard: a certified utility’s conduct is presumed reasonable unless a party raises “a serious doubt,” after which the utility must prove it acted prudently. A utility found imprudent must repay the Fund, but only up to 20% of its transmission and

⁵⁷ 1. Wildfire Safety Advisory Board, Advisory Opinions to Publicly Owned Electric Utilities and Electrical Cooperatives (adopted Nov. 21, 2025; dated December 2025), https://efiling.energy.ca.gov/EFiling/GetFile.aspx?filePath=D%3a%5cFileThat%5cFileServer%5cPublic%5cPublicDocuments%5c2025-WSAB-WSAB%2fTN17142_20251203T154619_Final_Advisory_Opinion_to_POUs_Dec_2025.pdf

⁵⁸ From 1. Assembly Utilities and Energy Committee, *Improving the Utility-Caused Wildfire Recovery System for Survivors, Ratepayers, and Other Stakeholders*, oversight hearing background (May 13, 2026), https://autl.assembly.ca.gov/system/files/2026-05/05.13.2026_background.pdf

⁵⁹ 1. Wildfire Safety Advisory Board, Recommendations to the Office of Energy Infrastructure Safety (June 2025), <https://efiling.energy.ca.gov/efiling/Getfile.aspx?fileid=58654&docket=2025-WSAB-WSAB&shareable=true>

distribution (“20% T&D”) equity rate base over three years.⁶⁰ The cap falls away only if the utility lacked a certificate or the Fund Administrator finds “conscious or willful disregard of the rights and safety of others.” AB 1054 also barred a shareholder return on the first \$5 billion of mitigation capital, which could be financed more cheaply through securitization. It did not change inverse condemnation, so utilities remain strictly liable in court for property damage their equipment causes; AB 1054 governs only how much of that cost can then be passed to ratepayers or the Fund.

The safety certificate requires an executive incentive structure that Energy Safety approves as prioritizing safety. Edison International’s 2026 proxy statement reports that CEO Pedro Pizarro’s total 2025 compensation rose to \$16.5 million from \$13.8 million in 2024, and that the board’s safety scoring applied “no deduct” for 2025.⁶¹ The same proxy filings show SCE’s covered-conductor incentive target was set at 1,050 miles for 2024 (813 installed, scored zero) and then lowered to 650 miles for 2025 (690 installed, scored above maximum); the lower target was approved in February 2025, the month after the fire. Because annual targets are set and scored by the company’s own board, and many are counts of activity such as miles completed, they can be recalibrated in ways that reward routine progress rather than reduced risk: a 2025 target set below the prior year’s actual output yielded an above-maximum score for less work than the year before. It is unclear to the Committee whether Energy Safety reviews year-to-year target changes like this one when it approves an incentive structure.

VIII. Toward a More Shared Approach.

Electric service is a public good. Utilities, whether IOUs or POU, carry an obligation to serve that requires them to string lines through the same wildlands that now burn more often and more severely. The wildfire crisis they face is too large, and the climate driving it too changeable, for any one utility to be the keeper of a single, centralized solution. Each utility’s territory, terrain, wind regime and customer base differ, and the best answer in one place will not be the best answer in another.

However, much of what the state now relies on was pioneered by one utility. After the 2007 fires, SDG&E sought authority for proactive de-energization years before the practice spread statewide, de-energized a transmission line for fire safety as early as 2013 and developed the Fire Potential Index that SCE adopted in 2018. SDG&E spent about \$1.7 billion on wildfire work in the decade after 2007, building operational readiness that other utilities later followed. That lesson cuts both ways: good practice does spread, but slowly, one utility at a time, and often only after a catastrophe.

The regime is beginning to work more collectively. Energy Safety now requires utilities to develop a shared framework for de-energized transmission lines, utilities to share lessons learned, and has required joint studies of how well grid hardening works. WSAB has built a working group with POU and points them to shared tools such as CAL FIRE’s wildfire forecast center. But these efforts remain piecemeal. Members may wish to consider ways to make shared learning the norm:

- **A shared data and tools commons.** Publish weather-normalized ignition, outage, and fire-weather data in common formats, and make open-source fire-spread and risk models available to every utility, including small POU that cannot build their own.

⁶⁰ For SCE the 20% T&D cap is roughly \$3.9–\$4.3 billion.

⁶¹ Edison International, 2026 Proxy Statement (Schedule 14A), at 43–47, 61 (Mar. 13, 2026); <https://www.sec.gov/Archives/edgar/data/827052/000110465926027655/eix-20260423xdef14a.htm> and Edison International, 2025 Proxy Statement, at 37–40; <https://www.sec.gov/Archives/edgar/data/827052/000155837025003002/eix-20250424xdef14a.htm>.

- **Structured peer learning.** Pair larger utilities with smaller POUs and co-ops on shutoff planning, risk mapping and inspection technology, building on the WSAB working group and the experience of utilities like SDG&E.
- **Statewide after-action reviews.** After any significant utility-related ignition, require a public after-action review and share its lessons with every utility, rather than leaving them to the next filing of the utility involved.
- **Joint effectiveness research.** Require all utilities to contribute data to joint studies of which mitigations work and to publish the results.

Shared tools will not replace each utility's responsibility for its own system. But they would let every utility, large or small, tailor solutions to their own risks while building on what others have already learned.

IX. Conclusion.

California's wildfire safety regime has performed as designed: force IOUs to understand their systems, inspect them, and harden the distribution lines that started most past fires. Reported ignitions in high-fire threat districts are down by about half, and the utilities now find hazards they once missed. But the regime measures success mostly by counting ignitions, has only begun to look closely at transmission, and retains safety certification for utilities whose safety assessments provide mixed results. The Eaton Fire exposed many of these limits. As the Legislature returns to wildfire liability this fall, the question before members is not only who pays after the next fire, but whether the regime gives utilities, their shareholders, and their executives a clear enough reason to prevent it.

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APPENDIX A

