

From: Pocta, Robert M.
Sent: 4/17/2014 12:11:46 PM
To: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1)
Cc:
Bcc:
Subject: RE: CEMA Documents

Erik – Thanks for the info. I did a little background review. Based on that cursory review, if the Governor declared a State of Emergency declaration it appears that if a utility thinks it will incur additional, incremental costs due to the emergency then then can initiate CEMA by the sending the letter and informing the Commission. At this juncture, I've heard ED is dealing with the issue. See you soon.

From: Jacobson, Erik B (RegRel) [mailto:EBJ1@pge.com]
Sent: Wednesday, April 09, 2014 11:37 AM
To: Pocta, Robert M.
Cc: Beardsley Grant, Kate
Subject: CEMA Documents

Mark,

As we discussed last night, attached are some documents you may find helpful for your consideration of the CEMA issue and the question of whether a resolution or SED letter is sufficient for utilities to establish a CEMA. PG&E would like the CPUC to issue a resolution in response to the Governor's Drought Emergency declaration. We believe such a resolution would be consistent with intent of the 1991 CEMA resolution. As noted below, item c) in the summary of that resolution authorizes utilities to establish memorandum accounts to record costs for "complying with government agency orders resulting from declared disasters." We also see the bark beetle resolution as a relevant precedent and would similarly like a resolution for this year's drought so we can get going on additional fire risk mitigation activities. We are hoping to get a resolution on the Commission's May 1 agenda, so we would appreciate your input as soon as possible.

Thanks,

Erik

1. **Resolution that Initiated CEMA:** Note in the opening summary paragraph that the resolution authorizes each public utility to establish a memo account to record costs of "a) restoring utility service to its customers; b) repairing, replacing or restoring damaged utility facilities; and c) complying with government agency orders resulting from declared disasters".

2. **Letter from SED:** References Governor Brown's State of Emergency and asking Utilities to take all practicable measures to reduce the likelihood of fires started by our facilities

3. **Letter from Board of Forestry:** Supports SED letter but additionally encourages the CPUC to support funding the Utilities at the appropriate levels to conduct electric vegetation management work.

4. **Bark Beetle Resolution:** This resolution is similar in nature to our current situation in that the Governor declared a state of emergency and the CPUC turned around and issued a resolution directing the utilities to take action and book costs in CEMA.

http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_RESOLUTION/25024.PDF

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