ENDORSED 1 JILL R. RAVITCH, SBN 129787 FILED District Attorney, County of Sonoma William J. Brockley, SBN 150131 APR 08 2022 **Assistant District Attorney** 3 Matthew T. Cheever, SBN 191783 SUPERIOR COURT OF CALIFORNIA Chief Deputy District Attorney COUNTY OF SONOMA Matthew R. Henning, SBN 247841 5 Deputy District Attorney 2300 County Center Drive, Suite B-170 Santa Rosa, Ca. 95403 (707) 565-3161 (707) 565-3499 Facsimile Email: districtattorney@sonoma-county.org 8 9 Attorneys for Plaintiff 10 11 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 13 IN AND FOR THE COUNTY OF SONOMA 14 Case No.: 50 - 270567 15 THE PEOPLE OF THE STATE OF CALIFORNIA, PROPOSED STIPULATED FINAL 16 Plaintiff, **JUDGMENT** 17 VS. 18 Dept: 16 PACIFIC GAS AND ELECTRIC Judge: Honorable Patrick Broderick COMPANY, 19 Defendant 20 21 Plaintiff, the People of the State of California ("People"), by and through the District 22 Attorney of Sonoma County (the "Sonoma D.A."), on the one hand, and Defendant Pacific Gas 23 and Electric Company ("PG&E"), by and through its attorneys, Munger, Tolles & Olson LLP, 24 on the other hand, hereby stipulate to the entry of this [Proposed] Stipulated Final Judgment 25 ("Judgment") without the taking of proof and without PG&E admitting any liability, and with 26 all Parties having waived the right to appeal. The People and PG&E are each individually 27 referred to herein as a "Party" and, collectively, as the "Parties." The Court, having 28 considered the pleadings, the submissions of the Parties, and good cause appearing, hereby

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ORDERS, ADJUDGES AND DECREES as follows:

- 1. The Judgment has been reviewed by this Court and is found to have been entered in good faith and to be, in all respects, just, reasonable, and equitable.
- 2. Unless otherwise stated, all obligations imposed upon PG&E by the terms of this Judgment are ordered pursuant to sections 17200, *et seq.* of the California Business and Professions Code, including sections 17203 and 17206.
- 3. The "Effective Date" is the Date that the Court enters this Judgment as a final order.

JURISDICTION AND VENUE

4. This Court has jurisdiction over the allegations and subject matter of the People's Civil Complaint filed in this action, and the Parties to this action; venue is proper in this County; and this Court has jurisdiction to enter this Judgment.

APPLICABILITY

5. The injunctive provisions of this Judgment are applicable to PG&E, and to its officers, directors, employees, agents, independent contractors (to the extent they are performing work for PG&E covered by the injunctive provisions), partners, associates representatives, subsidiaries, successors, and assigns, including all of the direct and indirect subsidiaries and affiliates of PG&E.

BACKGROUND

- 6. The Kincade fire (the "Fire") started in Sonoma County on October 23, 2019 and was ignited by equipment owned and operated by PG&E.
- 7. CAL FIRE and the Sonoma D.A. have conducted investigations into the cause of the Fire, including whether PG&E violated the law (civil and/or criminal) with respect to the facts and circumstances that led to the Fire.
- 8. On April 6, 2021, the Sonoma D.A. filed a Criminal Complaint (the "Criminal Complaint") in the Superior Court of California for the County of Sonoma ("Sonoma Superior")

Court"), Case No. SCR-745228-1, charging PG&E with 33 counts of alleged violations of California Penal Code section 452, Health & Safety Code sections 13001, 42400.1, and 42400.3, Public Resources Code section 4421, and Public Utilities Code section 2110.

- 9. On October 13, 2021, PG&E entered a plea of Not Guilty to each of the counts alleged in the Criminal Complaint.
- 10. On January 28, 2022, the Sonoma D.A. filed its First Amended Criminal Complaint ("First Amended Criminal Complaint") in the Sonoma Superior Court, superseding the Complaint in all respects, and charging PG&E with 30 counts of alleged violations of California Penal Code section 452, Health & Safety Code sections 13001, 42400.1, and 42400.3, Public Resources Code section 4421, and Public Utilities Code section 2110.
- 11. On January 28, 2022, PG&E entered a plea of Not Guilty to each of the counts in the First Amended Criminal Complaint.
- 12. The First Amended Criminal Complaint identified eleven victims who allegedly suffered losses resulting from the Fire. The Sonoma D.A. represents that it has complied with and adhered to the notification requirements and privacy rights mandated by Article I Section 28 of the California Constitution, commonly known as "Marsy's Law." In furtherance of settling the Civil Complaint, PG&E has compensated, or resolved all of the claims made by, the eleven identified victims for the injuries alleged in the First Amended Criminal Complaint.
- 13. Prior to the entry of this Judgment, the Sonoma D.A. filed a civil complaint in this matter bringing a cause of action against PG&E pursuant to California Business and Professions Code section 17200 *et seq.* ("Civil Complaint").
- 14. PG&E has settled claims arising out of the Fire with eight local public entities, including the County of Sonoma and the City of Santa Rosa, for \$31 million.
- 15. The Parties enter into this Judgment in order to fully and finally to resolve all claims related to the Fire that the Sonoma D.A. has brought or considered bringing in connection with the Fire, including but not limited to the allegations in the First Amended Criminal Complaint and the allegations in the Civil Complaint. This Judgment is the product of good faith and arms-length negotiations between the Sonoma D.A. and counsel for PG&E, and

is intended to further the People's interest in public safety and justice.

16. The Parties agree that this Judgment should be entered in this matter without the Judgment constituting evidence, a finding, an adjudication, or an admission by PG&E regarding any claim or issue of law or fact alleged in the Civil Complaint, the First Amended Criminal Complaint or any predecessor criminal complaints in this matter; and without any preclusive effect on any pending or future proceedings against PG&E (including without any res judicata or collateral estoppel effect between PG&E and all third parties). PG&E's factual acknowledgments in the Judgment are made for the limited purposes of the Judgment only, and such acknowledgements shall not be admissible or binding in any other proceeding, for any purpose other than further proceedings before this Court to enforce the Judgment.

FACTUAL ACKNOWLEDGEMENTS BY PG&E

- 17. PG&E acknowledges the following facts:
- a. Geysers Power Company LLC, an indirect, wholly-owned subsidiary of Calpine Corporation ("Calpine"), owns and operates geothermal power plants at the Geysers geothermal field located along the Sonoma and Lake County border. PG&E transmits power from the power plants in the Geysers to customers.
- b. In October 2005, Calpine informed PG&E that its Geysers 9 & 10 power plant had been "mothballed" and asked PG&E to remove the connection between the plant and the Geysers #9 line at PG&E Tower 001/006 and to clean the insulators on the tower.
- c. In May 2006, PG&E removed the connection from the Geysers #9 line to the Geysers 9 & 10 plant and installed new insulators and dampers on Tower 001/006.
- d. When PG&E removed the connection to the Geysers 9 & 10 plant, PG&E reconfigured the jumpers on Tower 001/006 (which had previously connected to the plant) as "open"—i.e., electrically connected at one end, rather than both ends. This segment of the line remained energized and the jumpers remained in this configuration, until the time of the Fire.
- e. On October 23, 2019 at approximately 9:20 PM, one of the open jumpers on Tower 001/006 broke due to wear induced by wind and ignited the Fire near the base of the

tower. According to CAL FIRE, the Fire burned over 77,000 acres of land, destroyed approximately 374 structures, damaged approximately 60 structures, and injured several firefighters before it was fully contained on November 6, 2019. The Fire is also alleged to have caused the emission of air contaminants that may result in a risk of great bodily injury or death.

- f. Subsequent to the Fire, PG&E took several actions:
- i. PG&E disconnected the three spans of the Geysers #9 line not serving customer load so that the spans were de-energized;
- ii. PG&E reviewed its transmission lines to determine if other energized spans not serving customer load remained; in the High Fire Threat Districts, PG&E found one such span, and de-energized it;
- iii. PG&E issued revised guidance regarding idle transmission facilities. The revised guidance stated that idle transmission facilities included energized spans not serving customer load;
- iv. PG&E issued guidance requiring open jumpers to be cut as short as practical;
- v. PG&E revised its inspection forms so that inspectors are required to report facilities not serving customer load; and
- vi. Finally, PG&E removed the last three spans of the Geysers #9 line, eliminating any risk that the nearby Geysers #12 line could induce a current in the last three spans (then de-energized) of the Geysers #9 line.

PROHIBITORY INJUNCTION

- 18. Pursuant to Business and Professions Code section 17203, PG&E is enjoined and restrained from doing any of the following acts or practices for a period running until five years after the Effective Date:
- a. Violating Penal Code section 452 by recklessly setting fire to and burning and causing to be burned a structure, forest land, and personal property.

- b. Violating Health and Safety Code section 13001 by unlawfully throwing or placing any ashes, or other flaming or glowing substance, or any substance or thing which may cause a fire, in any place where it may directly or indirectly start a fire, without clearing the inflammable material surrounding the operation or taking such other reasonable precautions necessary to insure against the starting and spreading of fire.
- c. Violating Public Resource Code section 4421 by negligently causing fire to be set to any forest, brush, or other flammable material which was on land not belonging to or under the legal control of PG&E, without permissions of the owner, lessee, or agent of the owner of lessee of the land.
- d. Violating Public Utilities Code section 451 by unlawfully failing to furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, as are necessary to promote the safety, health, comfort and convenience of its patrons, employees, and the public.
- e. Violating Public Utilities Code section 2110 by failing to design, construct, and/or maintain its electrical supply in accordance with General Order Number 95, Section 31.1, of the Rules for Overhead Electric Line Construction prescribed by the California Public Utilities Commission.
- f. Violating General Order Number 95, Section 31.6, of the Rules for Overhead Electric Line Construction prescribed by the California Public Utilities Commission, by failing to remove any portion of an abandoned transmission line.

INJUNCTIVE RELIEF: PERFORMANCE COMMITMENTS

19. Pursuant to Business and Professions Code section 17203, PG&E shall implement each of the performance terms set forth in this Paragraph (the "Performance Commitments") by the end of the Effective Period, unless a different completion date is specifically mentioned. The "Effective Period" will be a period consisting of (i) five years from the Effective Date, plus (ii) any and all Cure Periods, extending beyond the initial five years. For the avoidance of doubt, the Effective Period includes any and all Cure Periods.

- a. <u>Commitment 1 (Jobs and Hiring)</u>: PG&E shall create and post a minimum of 100 new positions headquartered in or serving Sonoma County.
- i. These positions may include positions relating to electric systems inspections including drone inspection reviewers, electric system vegetation management inspections and supervision, Electric Operations, and Gas Operations.
- ii. These positions may include the creation of new positions, the conversion of what is currently a contractor role to employee positions, or the movement of existing PG&E positions not currently headquartered in Sonoma County into Sonoma County.
- b. <u>Commitment 2 (Jobs and Hiring)</u>: The positions posted pursuant to Commitment 1 will be positions that, if filled, will increase the ratio of employees to contractors across those job categories specified in Commitment 1, in Sonoma County, from a current average total ratio of approximately 39% to an average total ratio of at least 60% employees. The calculation of the ratio in Commitment 2 will exclude the temporary use of workers/contractors for emergency-related, restoration, and undergrounding work.
- c. <u>Commitment 3 (Jobs and Hiring)</u>: PG&E will fill at least 80 of the positions in Commitment 1 by the end of the Effective Period.
 - d. <u>Commitment 4 (SRJC Fire Technology Program)</u>:
- i. Within 90 days of the Effective Date, PG&E and Santa Rosa Junior College ("SRJC") will meet and confer to develop a plan to work collaboratively to expand and enhance the Fire Technology Program of the Public Safety Training Center and the Wildfire Resilience Program (the "SRJC Plan"). The SRJC Plan will be subject to review and approval by the Sonoma D.A. Thereafter, PG&E will provide the SRJC Plan to the Sonoma County Safety Monitor (as defined below) for review and monitoring of its implementation.
- ii. During the Effective Period, PG&E will work with SRJC to implement the SRJC Plan. Such collaboration will include:
- (1) Providing \$5 million to SRJC to be used for expanding and enhancing the Fire Technology Program of the Public Safety Training Center and the Wildfire Resilience Program. Such funding may be used for, among other things: site

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acquisition and development; equipment purchases; instructional program support; and developing and implementing curriculum;

- (2) Making available existing PG&E wildfire safety related curriculum and materials and sharing PG&E's wildfire safety related data, such as fire spread modeling; and
- (3) Working with SRJC to develop new or enhanced wildfire related curriculum and training.
- iii. In the event that PG&E and SRJC are unable to agree upon or implement the SRJC plan within the required timeframe, or if the Sonoma D.A. does not consent to the SRJC Plan, then PG&E and the Sonoma D.A. will mutually agree on an alternate fund benefitting local non-profit organizations in Sonoma County, and PG&E will pay to that fund five million dollars (\$5,000,000) on the timeline on which PG&E would have paid this allocation to SRJC, as set out in Paragraph 26(b).
- e. <u>Commitment 5 (Vegetation Management Training Program)</u>: PG&E will provide one million dollars (\$1,000,000) to fund training programs at Santa Rosa Junior College ("SRJC") as follows:
 - i. Timing of funding:
 - (1) A total of \$500,000 within 60 days of the Effective date;
 - (2) A total of \$500,000 by December 31, 2023.
- ii. The money provided to SRJC will fund one or more of the following: (1) funding for a training program modeled after the tree crew and pre-inspector training program that debuted at Butte College in 2020, including funding for instructor or instructional support salaries, gear, curriculum development, and tuition for participants; (2) transportation and housing for participants in the tree crew and pre-inspector training program; (3) labor market studies, recruitment and/or marketing for the tree crew and pre-inspector training program; (4) sponsorship/wage replacement to be paid to trainees upon completion or graduation from the program; and/or (5) other vocational training programs related to the utility

industry or wildfire resilience as SRJC in its reasonable business judgment determines.

f. Commitment 6 (Vegetation Management Inspection Pilot Program): Through 2022, PG&E will run a pilot program on a process to perform visual assessment on all sides of potential strike trees on designated routine distribution vegetation management patrols in High Fire Threat Districts ("HFTDs") within Sonoma County. In 2023, PG&E will implement a process to perform visual assessment on all sides of potential strike trees on designated routine distribution vegetation management patrols in HFTD miles within Sonoma County; this process will be informed by the 2022 pilot program.

WILDFIRE MITIGATION PLAN

- 20. On February 25, 2022, PG&E submitted its 2022 Wildfire Mitigation Plan ("WMP") in compliance with California SB 901, AB 1054 and direction from the Office of Energy Infrastructure Safety ("OEIS"). The 2022 WMP is awaiting approval by the CPUC, and until it is approved, the 2021 WMP remains in effect. The 2022 WMP sets out the actions PG&E is taking across its territory, which includes Sonoma County, and, especially in the HFTDs, to reduce the risk of catastrophic wildfires across its entire service territory. The system-wide initiatives described below will be overseen by OEIS and the CPUC, with the assistance of an independent safety monitor ("ISM"), and subject to enforcement by the CPUC. The CPUC has selected Filsinger Energy Partners to serve as the ISM with a term through January 2027. These system-wide initiatives include:
- a. <u>Enhanced Powerline Safety Settings</u>: In 2021, PG&E implemented its Enhanced Powerline Safety Settings ("EPSS") program on approximately 11,500 miles of distribution circuits approximately 45% of the distribution circuits in the HFTDs. These settings rapidly and automatically shut off power if an object comes into contact with a distribution line. These safety settings resulted in a significant reduction in CPUC-reportable ignitions in HFTDs on these EPSS-enabled circuits. In 2022, PG&E will expand its EPSS program to all distribution circuits in the HFTDs and High Fire Risk Areas ("HFRAs"), approximately 25,500 miles, as well as select non-HFTD areas across proximate to HFTDs and

HFRAs in its service territory. In Sonoma County, this will include implementation of the EPSS program on approximately 2,790 distribution circuit miles, which includes all distribution circuits in HFTDs, approximately 1,470 miles in Sonoma County. Once the protection devices along these circuits have been programmed, they will be capable of being enabled and/or activated into EPSS mode based on forecasted Fire Potential Index ("FPI") conditions.

- b. <u>Line De-energization</u>, <u>Grounding and Removal</u>: De-energizing idle facilities promotes safety and reduces fire risk. Grounding of an already de-energized line, where appropriate, further reduces potential wildfire risk arising from induction due to nearby energized lines. In response to the Fire, and pursuant to the WMP initiatives, PG&E is preparing a plan to remove permanently abandoned transmission lines across its entire system, including in Sonoma County.
- c. <u>Undergrounding 10,000 Miles</u>: In July 2021, PG&E announced a multi-year program to underground 10,000 distribution circuit miles in and near high wildfire risk areas. This unprecedented program will eliminate wildfires caused by the replaced overhead equipment, reduce the need for PSPS outages and EPSS, and improve system reliability in the fire risk conditions confronting the State. Undergrounding will also help protect trees and preserve the ecological, environmental, and other benefits they provide to our communities. PG&E's system-wide targets for undergrounding are: 175 miles in 2022; 400 miles in 2023; 800 miles in 2024; 1,000 miles in 2025; and 1,200 miles per year in 2026 and beyond.
- d. Real Time Weather Assessment: In 2021, PG&E installed another 308 weather stations in its service territory, bringing the total to date to over 1,300 installed stations, including 86 weather stations installed in Sonoma County. By the end of 2021, there was a PG&E weather station roughly every 20 distribution circuit miles in the HFTDs. In 2022, PG&E will install or optimize 100 weather stations across its service territory. This network of weather stations is used to verify conditions before circuits are de-energized in a PSPS event and then to confirm weather conditions are safe before lines are re-energized. PG&E will continue to make information from all these installations available to CAL FIRE, first

responders, and the public.

- e. Real Time Fire Behavior Detection (Wildfire Cameras): In 2021, PG&E installed an additional 153 high definition cameras across its service territory, and in 2022, will install another 98, completing the 600 cameras targeted for this initiative. By the end of 2022, these high definition cameras are intended to provide approximately 90 percent viewshed coverage of the HFTDs in PG&E's service territory. Including the wildfire cameras already installed in Sonoma County, PG&E will have installed approximately 25 wildfire cameras in Sonoma County under this initiative by the end of 2022. These cameras are used by CAL FIRE, the California Governor's Office of Emergency Services, the U.S. Forest Service, PG&E, and other local agencies to identify, confirm and track wildfire ignition and spread and fire behavior, as well as weather and general conditions in real time.
- f. <u>Enhanced Equipment Inspections</u>: PG&E conducts enhanced inspections for electric transmission assets in HFTDs and HFRAs using at least two detailed inspection methods per structure per year: ground and aerial ("Enhanced Equipment Inspections"). In addition to the ground and aerial inspections, climbing inspections are also required for 500 kilovolt ("kV") structures.
- i. All these inspections involve detailed, visual examinations of the assets using inspection checklists tracking the requirements of the Electric Transmission

 Preventive Maintenance handbook and the Failure Modes Effects Analysis, which identified the components that can fail and cause ignitions.
- ii. In 2021, 100% of PG&E's overhead transmission structures in HFTD Tier 3 and Zone 1, and roughly one third of the overhead transmission structures in HFTD Tier 2 and HFRA, were subjected to the Enhanced Equipment Inspections, which includes some form of aerial assessment. In addition, 1,385 500 kV towers in HFTDs or HFRAs were subjected to climbing inspections. PG&E will continue this program in 2022, subjecting 100% of the overhead transmission facilities in HFTD Tier 3 and Zone 1, and roughly another third of the overhead transmission structures in HFTD Tier 2 and HFRA, to Enhanced Equipment Inspections. In addition, PG&E will perform approximately 1,800

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climbing inspections of 500 kV towers. Further details concerning inspections are set out in Section 7.3.4 of the 2022 Wildfire Mitigation Plan.

Vegetation Management: PG&E g. inspects vegetation around approximately 80,000 miles of overhead distribution facilities each year. Approximately 3,148 of these distribution miles are located in Sonoma County. The primary inspection for every distribution circuit every year occurs under the vegetation management routine program, which inspects overhead primary and secondary distribution facilities to maintain clearance around lines, identify trees that will encroach on the required clearance, and identify dead, dying and declining trees expected to fail and strike the lines. In addition, a tree mortality patrol is performed approximately six months before or after the routine patrol on distribution facilities within the HFTDs to maintain clearance and to identify dead, dying and declining trees that are expected to fail and strike conductors. (The primary routine vegetation management inspections and the tree mortality patrols for distribution circuits in HFTDs are hereafter referred to as "Vegetation Management Patrols").

i. In addition, the Enhanced Vegetation Management program ("EVM"), which PG&E applies to a portion of its distribution circuits each year, expands radial and overhang clearance and evaluates potential strike trees using PG&E's Tree Assessment Tool, which goes above and beyond regulatory requirements for distribution circuits. Lines are selected for EVM based on a risk ranking prioritization model.

INJUNCTIVE RELIEF: SONOMA COUNTY SPECIFIC INSPECTION WORK <u>COMMITMENTS</u>

21. Pursuant to Business and Professions Code section 17203, and consistent with the WMP initiatives described in Paragraph 20 above, during the Effective Period PG&E shall carry out the following safety inspections and work in Sonoma County in accordance with the then-applicable WMP, and consistent with PG&E's then-operative annual risk-informed work plans and procedures (hereafter, collectively, the work commitments described below that are to be performed in Sonoma County and monitored by the Sonoma County Safety Monitor are referred to as the "Sonoma Inspection Work Commitments"):

- a. PG&E shall conduct Enhanced Equipment Inspections (and any associated repairs or corrective work as identified and prioritized on the then-operative annual risk-informed work plans) on electric transmission assets located in Sonoma County, pursuant to the then-applicable WMP and annual work plans; for 2022, this includes using at least two detailed inspection methods per structure per year: ground and aerial. PG&E shall submit annual plans for the safety inspections of those assets in Sonoma County to the Sonoma County Safety Monitor for review and feedback, and the Sonoma County Safety Monitor will use these annual plans to help fulfill its monitoring duties (see Paragraph 22 below).
- b. PG&E shall conduct safety inspections (and any associated repairs or corrective work as identified and prioritized on the then-operative annual risk-informed work plans) on electric distribution assets located in Sonoma County, pursuant to the then-applicable WMP and annual work plans. PG&E shall submit annual plans for the safety inspections of those assets in Sonoma County to the Sonoma County Safety Monitor for review and feedback, and the Sonoma County Safety Monitor will use these annual plans to help fulfill its monitoring duties (see Paragraph 22 below).
- c. PG&E shall conduct Vegetation Management Patrols (and associated tree work and removals as identified and prioritized on the then-operative annual risk-informed work plans) on the distribution circuits in the HFTDs in Sonoma County, pursuant to the then-applicable WMP and annual work plans. Such inspections and associated work crews for each circuit are scheduled annually to allow for the allocation and scheduling of the required resources. Such annual plans for Sonoma County will be provided to the Sonoma County Safety Monitor for review and feedback, and the Sonoma County Safety Monitor will use these plans to help fulfill its monitoring duties set out in Paragraph 22 below.
- d. PG&E shall implement its Enhanced Powerline Safety Settings ("EPSS") program pursuant to the then-applicable WMP; for 2022, this includes implementing the EPSS program on all distribution circuits, approximately 1,470 miles, in Sonoma County HFTDs by the end of 2022. The Sonoma County Safety Monitor will inspect PG&E's implementation of this program pursuant to the then-applicable WMP.

- e. PG&E proactively shuts off power when a potential high-risk wildfire event is forecasted under the Public Safety Power Shutoff ("PSPS") program. When a PSPS is activated in Sonoma County, PG&E will notify the Sonoma County Safety Monitor and permit the Monitor to observe its implementation and follow up analysis of the event related to Sonoma County, provided that notwithstanding any other provision in this Judgment, PG&E's decisions under and implementation of the PSPS program will not give rise to a Deficiency, as defined below.
- f. The Parties agree that a material failure to perform the Sonoma Inspection Work Commitments during the Effective Period would constitute a Deficiency, as defined below, for which remedies could be pursued under this Judgment, subject to the Monitoring and Compliance provisions in Paragraph 22, below, and the Enforcement provisions in Paragraphs 23 and 24, below.
- g. It is the expectation of the Parties that any Deficiency (or any disagreement over a potential Deficiency) would be quickly and voluntarily resolved in the interests of justice and public safety, but judicial resolution of such issues is available if and when needed.

INJUNCTIVE RELIEF: MONITORING AND COMPLIANCE

22. <u>Sonoma County Safety Monitor</u>. The Parties shall discuss and mutually agree upon an appropriately qualified outside, independent compliance monitor (the "Sonoma County Safety Monitor" or "Monitor"), the cost of which shall be paid for by PG&E, to monitor PG&E's compliance with the Performance Commitments and Sonoma Inspection Work Commitments. In the performance of the Monitorship, this may include a review of issues or sites outside of Sonoma County to the extent needed in the evaluation of Sonoma County. It will be a condition of the Monitor's retention that the Monitor is independent of PG&E and that no attorney-client relationship will be formed between PG&E and the Monitor. The Monitor will bill reasonable fees to PG&E based upon a contract entered with PG&E and a budget agreed to by the Monitor and PG&E, with review and input by the Sonoma D.A. The Monitor's

term will run through the Effective Period and terminate at the end of the Effective Period.

- a. The Parties agree that Filsinger Energy Partners will serve as the Sonoma County Safety Monitor. If for any reason Filsinger Energy Partners cannot serve as the Monitor, including, but not limited to, the failure to agree on a reasonable budget, then PG&E and the Sonoma D.A. will promptly meet and confer to agree upon a replacement Monitor and jointly submit the replacement Monitor's name to the Court no later than sixty days following notification that Filsinger Energy Partners cannot serve. The Parties also recognize that Filsinger Energy Partners has been selected to serve as the ISM, and if Filsinger Energy Partners serves as the Monitor, the agreed-upon budget will be sufficient to ensure that the Monitor's work as the ISM will not detract or deplete resources from its work as the Sonoma County Safety Monitor, and the Monitor's work under this Judgment will not detract or deplete resources from its work as the ISM.
- b. PG&E shall cooperate with the Monitor to allow the Monitor to fulfill its duties under this Judgment, including providing the Monitor at least the same access to relevant non-privileged information, documents, records, facilities and/or employees as the CPUC Monitor, and any additional information reasonably requested by the Monitor, within a reasonable time. The Monitor shall maintain as confidential all non-public information, documents, and records it receives from PG&E, subject to the Monitor's reporting requirements herein. Nothing herein shall limit the Monitor's ability to provide and share PG&E information with the Sonoma D.A. It is anticipated by the Parties that the Monitor will be invited to attend internal PG&E operations meetings and will conduct regular field inspections in Sonoma County to assist in quality assurance monitoring.
 - c. During the Effective Period the Monitor will:
- i. monitor PG&E's compliance with the Performance Commitments set forth in Paragraph 19 and the Sonoma Inspection Work Commitments set forth in Paragraph 21;
- ii. promptly notify PG&E and the Sonoma D.A. in writing in the event of any failure by PG&E to perform any of the Performance Commitments or Sonoma

Work Inspection Commitments, as set out in this Paragraph 22;

- iii. hold meetings with PG&E, to which the Sonoma D.A. will be invited, twice per year one designated as a "Six Month Meeting", and one designated as an "Annual Meeting" at which the Monitor will report on PG&E's progress toward and compliance with the Performance Commitments and Sonoma Inspection Work Commitments, and on any anticipated Deficiencies identified to date (in addition to any Deficiencies identified in Annual Compliance Reports); and at which PG&E and the Sonoma D.A. may discuss any updates on PG&E's progress toward meeting the Performance Commitments and Sonoma Inspection Work Commitments; and
- iv. provide the reports set out in this Judgment including the Annual Compliance Reports, including the Five-Year Report.
- d. At any time during the Effective Period, PG&E may provide information to the Monitor regarding its progress in meeting the Performance Commitments and Sonoma Inspection Work Commitments, including any items that might qualify as a Force Majeure Event, and any supporting material it would like the Monitor to consider.
- e. At any time during the Effective Period, the Sonoma D.A. may discuss with the Monitor PG&E's compliance with the Performance Commitments or Sonoma Work Inspection Commitments, and any related issues.
- f. A failure to meet one or more Performance Commitments or Sonoma Inspection Work Commitments at the time it is due will be a "**Deficiency**."
- i. For purposes of determining a Deficiency based on a failure to comply with a Sonoma Inspection Work Commitment, the failure must not be a failure in existence as of the Effective Date, but must be based on a failure that first occurred after the Effective Date.
- ii. Deficiencies based on failure to comply with a Sonoma Inspection Work Commitment must identify the specific failure(s) within Sonoma County that have occurred that constitute the Deficiency.
 - iii. The Monitor may identify and provide notice of Deficiencies at

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any time during the Effective Period.

- If the Monitor identifies any Deficiency that is not fully excused by a Force Majeure Event, then PG&E and the Monitor will meet and confer regarding the Deficiency within 10 business days following the Monitor's written notice to PG&E of a Deficiency. PG&E and the Monitor may discuss the Deficiency as well as any steps that PG&E can take to cure the Deficiency. Within 5 business days following this meeting, PG&E will present a written cure proposal to the Monitor; if the Monitor does not object to this cure proposal in writing within 10 business days following receipt, PG&E's cure proposal will be deemed accepted by the Monitor, and the fulfillment of that cure proposal will be a complete cure of the Deficiency. If the Monitor objects to PG&E's cure proposal, then the Monitor and PG&E will meet and confer within 5 business days to agree on an amended cure proposal; the fulfillment of the amended cure proposal will be a complete cure of the Deficiency. A Deficiency may be cured by performing it after its initial due date as part of a cure; for example, if the Deficiency is based on a failure to complete an action by a certain date, that Deficiency can be cured by performing the action after the specified date, within a timeframe set out in the cure proposal and consistent with the Cure Period, as defined below.
- h. If PG&E fulfills the accepted cure proposal or amended cure proposal, and the Monitor determines that the cure was not effective and did not achieve the intended result, and if there is no Force Majeure event preventing further performance, the Monitor may re-notice the issue as a new Deficiency, subject to the provisions and procedures in Paragraph 22(g), including the meet and confer and cure provisions and procedures.
- i. Annual Compliance Reports. No less than 30 days before each Annual Meeting, the Monitor will provide the Sonoma D.A. and PG&E with an "Annual Compliance Report" that will discuss PG&E's performance and progress towards meeting the Sonoma Inspection Work Commitments and Performance Commitments that have come due, or whether the Monitor has identified any Deficiencies for which notice has not already been provided; and that will list any previously noticed Deficiencies that remain outstanding. If the Annual Compliance Report identifies one or more Deficiencies, the Annual Compliance Report will (a)

describe each Deficiency in detail and (b) include a determination as to whether each Deficiency is attributable to and excused (in full or in part) by a Force Majeure Event. If the Annual Compliance Report identifies any Deficiencies not previously noticed, the meet and confer provisions set forth in subparagraph g, above, shall apply.

- j. <u>Five-Year Report</u>. The fifth Annual Compliance Report will be a "**Five-Year Report**" and will be provided no earlier than four years and six months after the Effective Date, and no later than four years and nine months after the Effective Date.
- i. If the Five-Year Report does not identify any Deficiency, then the Monitor will be discharged at the end of the five-year Effective Period and there will be no further reporting by the Monitor.
- k. <u>Cure Period</u>. If, after the aforementioned meet and confer, the Monitor maintains that a Deficiency exists and such Deficiency is not fully excused by a Force Majeure Event, then PG&E will be afforded a reasonable cure period determined by the Monitor of no less than 45 days ("Cure Period") in which to cure all such Deficiencies. No sooner than five days before the end of the Cure Period and no later than the end of the Cure Period, the Monitor will inform PG&E if it has cured each Deficiency, and if not, the additional steps that PG&E must take to cure each Deficiency. Taking the actions, the Monitor deems necessary to cure a Deficiency for a particular Performance Commitment or Sonoma Inspection Work Commitment will be considered a full and effective cure with no further curative action required.
- l. <u>Force Majeure Event</u>. As set out above, the Monitor may conclude that a Deficiency is excused, in part or in full, by a Force Majeure Event. As used herein, a "Force Majeure Event" means circumstances or events beyond PG&E's control including, without limitation, flood, extreme weather, fire, mudslide, earthquake, wildfire, or other natural calamity or act of God or nature, interruption in water, riots, civil disorders, rebellions or revolutions, acts of governmental agencies, endemics, pandemics, quarantines, embargoes, malicious acts of third parties, acts of terrorism, any law, rule, regulation, order, or other action adopted or taken by any federal, state or local government authority, labor difficulties, including a strike, labor disputes affecting vendors or subcontractors for which PG&E is not responsible, or any other

similar cause beyond the reasonable control of PG&E. A Force Majeure Event will further include circumstances beyond PG&E's control preventing PG&E's ability to meet the Performance Commitments or the Sonoma Inspection Work Commitments, such as (1) any refusal by a property owner or tenant to grant consent to allow access to property, or any delay by any property owner or tenant in granting such access; any inability to obtain permits; or any property owner's or tenant's refusal or delay in granting any such easement or agreement as may be necessary to perform any of the Performance Commitments or the Sonoma Inspection Work Commitments contemplated by this Judgment; or (2) for any of the hiring commitments set forth in the Performance Commitments, any shortfall arising from union requirements regarding filling positions, a lack of union agreement, a lack of sufficiently qualified applicants, or a lack of sufficiently qualified applicants accepting offers of employment, provided that any such shortfall will not excuse PG&E from creating and posting the positions described in the Performance Commitments. A Force Majeure event does not include financial inability to fund or complete work.

- i. If the Monitor concludes that a Deficiency is excused in full by a Force Majeure Event, then that Deficiency is not a breach of this Judgment and not subject to the Enforcement provision below (paragraph 23).
- ii. If the Monitor concludes that a Deficiency is excused in part by a Force Majeure Event, then the Monitor will afford PG&E one or more Cure Periods, as set out above, in which PG&E will be afforded an opportunity to cure or complete the affected Performance Commitment or Sonoma Inspection Work Commitment.
- m. <u>Changes in Technology</u>. In the event that changes in technology occur during the term of this Judgment that affect any of the Performance Commitments or Sonoma Work Inspection Commitments, or the agreed upon Monitoring and Compliance, the Parties and the Monitor agree to meet and confer and reasonably attempt resolve any issues.

ENFORCEMENT

23. If (1) the Monitor determines that a Deficiency is not excused in its entirety by a

Force Majeure Event, and has not been cured by the end of the Cure Period; (2) the Sonoma D.A. believes PG&E has violated the terms of the Prohibitory Injunction (Paragraph 18) in Sonoma County; or (3) PG&E has been convicted of a crime that would constitute a violation of the Prohibitory Injunction (Paragraph 18), then pursuant to this Final Judgment, the Sonoma D.A. may seek injunctive relief from this Court or remedies from this Court under Business & Professions Code section 17207 ("Section 17207") and/or Penal Code section 166 ("Section 166").

- 24. Nothing in this Judgment is intended to eliminate or reduce the burden of proving any elements of Section 17207 or Section 166, including but not limited to the mens rea requirements.
- 25. This Court will retain jurisdiction until six months after the Effective Period has expired to allow any Party to apply at any time for any orders and directions that may be necessary to enforce this Judgment, or to obtain penalties or other punitive measures for any violations, or to seek modification or termination of any of its terms.

MONETARY RELIEF

- 26. Pursuant to Business and Professions Code section 17203, PG&E shall make the following payments ("Payments") totaling \$20,250,000. These Payments will not be charged to customers and shall not be recoverable in customer rates:
- a. <u>Payments to Local Non-Profits</u>: PG&E will pay a total of six million dollars (\$6,000,000) by separate certified checks made payable to the organizations listed in this Paragraph, below, and provided to the Sonoma D.A. for distribution to the organizations. Payment may be made in five equal annual installments to each recipient, with the first payment due no later than December 31, 2022.

Recipient	Amount	Purpose		
Fire Safe Sonoma	\$1,000,000	Implementation of Community wildfire Protection Plan (CWPP) to mitigate threat of wildfires through education, prevention and outreach, including funding of neighborhood wildfire prevention and preparedness programs.		
20				

Conservation Corps North Bay (CCNB)	\$1,000,000	Provide wraparound services to young adults 18-26 including career coaching a industry recognized training in vegetatio management, large equipment operation
Nuestra Communidad	\$500,000	and First Aid/CPR. Outreach on disaster preparedness, 9-1-1 education, and health and wellness for underserved communities, including the elderly, monolingual Spanish speakers at youth, primarily in the north county and west county areas.
Council on Aging	\$500,000	Support of Meals on Wheels program to provide food security to thousands of seniors, as well as daily check-ins, notice local emergencies, updates on changing conditions and assurance of assistance in case of emergency.
Interfaith Shelter Network	\$500,000	Providing emergency basic needs assistance, including food, gas and clothing as well as medical, psychological and housing assistance for the under and uninsured.
Boys & Girls Clubs of Sonoma- Marin	\$500,000	SMART Moves (Skills Mastery and Resilience Training) programs to include life-skills and workforce development fo youth in the Roseland area.
Jameson Humane	\$500,000	Large and small animal rescue preparation response and reunification during a disast such as wildfire.
Petaluma Health Center	\$300,000	Recruitment and funding of bilingual healthcare workers for those disproportionately impacted by wildfires
Jewish Community Free Clinic	\$300,000	Support for primary care services, menta health services, work readiness physicals and support and other safety net services
Sonoma Valley Community Health Center	\$300,000	Provide trauma informed care to clients a well as provide neighborhood and person safety programs.
West County Health Centers	\$300,000	Funding community outreach and patient services staff to connect most marginalize patients and residents to resources and assist with navigation to resources as needed.
Alexander Valley Health Care	\$300,000	Provide ongoing services to vulnerable population members with more support f preventative services and preparedness awareness for disasters.

- b. <u>Payment for SRJC Fire Technology Program Plan</u>: As set forth in Paragraph 19(d) above, PG&E will provide five million dollars (\$5,000,000) towards implementing the SRJC Plan, on the following timetable:
 - i. A payment of \$1.5 million on or before December 31, 2022;
 - ii. A payment of \$1.5 million on or before December 31, 2023;
 - iii. A payment of \$1 million on or before December 31, 2024;
 - iv. A payment of \$500,000 on or before December 31, 2025; and
 - v. A payment of \$500,000 on or before December 31, 2026.
- c. <u>Payment for SRJC Vegetation Management Training Program</u>: As set forth in Paragraph 19(e) above, PG&E will provide one million dollars (\$1,000,000) to fund training programs at SRJC.
- d. <u>Civil Penalties</u>: PG&E will pay civil penalties pursuant to Business & Professions Code section 17206 in the amount of seven million five hundred thousand dollars (\$7,500,000) which shall be paid by separate certified checks made payable to the Sonoma County District Attorney's Office on the following timetable, or sooner if PG&E in its sole discretion elects to make any of the payments prior to the dates below:
 - i. A payment of \$1.5 million on or before December 31, 2022;
 - ii. A payment of \$1.5 million on or before December 31, 2023;
 - iii. A payment of \$1.5 million on or before December 31, 2024;
 - iv. A payment of \$1.5 million on or before December 31, 2025; and
 - v. A payment of \$1.5 million on or before December 31, 2026.
- e. <u>Investigative Costs</u>: PG&E will pay the Sonoma D.A.'s investigative costs in the amount of seven hundred fifty thousand dollars (\$750,000). Payment will be made within sixty days of the Effective Date, by separate certified check made payable to the Sonoma County District Attorney's Office.

MISCELLANEOUS

27. The Parties agree that this Judgment is a fair and reasonable resolution of the above-captioned action and is in the public interest.

- 28. Nothing in this Judgment shall excuse PG&E from meeting any more stringent requirements which may be imposed hereinafter by changes in applicable and legally binding legislation, regulations, ordinances, and/or permits, or shall be construed as authorizing or permitting any violation of law, or preventing the initiation of a new criminal or civil prosecution for any violation of law, existing at the time of entry of judgment or thereafter, including any violation of law not discussed or mentioned herein or in the Complaint.
- 29. The Parties have each made an investigation of the facts pertaining to this Judgment and to the Fire as they deem necessary. The Parties are aware that they may hereafter discover facts in addition to, contrary to, or different from those they now know or believe to be true with respect to the matters set forth herein. The Parties are not relying on any representations not included within this Judgment.
- 30. This Judgment constitutes the final and complete resolution of the above-captioned matter and supersedes any prior agreements and understandings between the Parties, whether oral or written, concerning the matters set forth above; and represents the entire agreement between the Parties.
- 31. This Judgment will be deemed to have been drafted jointly by the Parties and without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing an instrument to be drafted. Nothing in this Judgment will be construed as enlarging upon or diminishing the Sonoma D.A.'s authority or jurisdiction under the law. Nothing in this Judgment is intended to legislate new law or limit PG&E's liability or defenses under subsequently enacted law.
- 32. Each Party will deliver all notices, requests, consents, claims, demands, reports, waivers, and other communications under this Judgment (each, a "Notice") in writing and by email, to the Sonoma D.A., PG&E, and PG&E's counsel at the addresses set forth in this Paragraph (or to such other address that the receiving Party may designate from time to time in accordance with this Paragraph). Each Party will deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), e-mail (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage

1	prepaid). Except as otherwise provided in this Judgment, a Notice is effective only (a) upon				
2	receipt by the receiving Party and (b) if the Party giving the Notice has complied with the				
3	requirements of this Paragraph.				
4	If to the Sor	noma D.A.:	If to PG&E:		
5	Sonoma County District Attorney Attn: Jill Ravitch 600 Administration Dr., Suite 212 J Santa Rosa, CA 95403 Jill.Ravitch@sonoma-county.org		PG&E Corporation		
6			Office of the General Counsel Attn: John Simon and Alex Vallejo		
7			77 Beale Street San Francisco, CA 94105		
8			LegalPapersMailbox@pge.com		
9			With a copy to:		
10			Brad D. Brian Lisa J. Demsky		
11			Munger, Tolles & Olson LLP		
12			350 S. Grand Ave., 50th Fl. Los Angeles, CA 90071-3426		
13			<u>Brad.Brian@mto.com</u> <u>Lisa.Demskv@mto.com</u>		
14	33. The Parties will bear their own costs in this action, including any first appearance				
15 16	filing fees.	filing fees.			
17	34.	No notice of entry of judgmer	No notice of entry of judgment is required to be served on either Party.		
18	35.	All Parties have waived their	All Parties have waived their right to appeal.		
19	36.	The clerk is ordered to enter the	his Judgment forthwith.		
20	DATED.		PATRICK M. BRODERICK		
21	DATED:	APR 0 8 2022	MAINION III. D. 100		
22			JUDGE OF THE SUPERIOR COURT		
23					
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