

April 30, 2018

1100 K Street Suite 101 Sacramento California 95814 *Telephone* 916.327.7500 *Facsimile* 916.441.5507 The Honorable Anthony Rendon, Assembly Speaker California State Assembly Sacramento, CA 95814

The Honorable Toni Atkins, Senate President Pro Tempore California State Senate Sacramento, CA 95814

RE: Liability for 2017 California Wildfires

Dear Assembly Speaker Rendon and Senate President Pro Tem Atkins:

The California State Association of Counties (CSAC) writes to express our opposition to any potential undue transfer of the liability that resulted from California's historic 2017 wildfire season. It has come to our attention that there is an advocacy effort underway to limit and/or comprehensively restrict negligent liability on the part of the Investor Owned Utilities (IOUs) as a result of the 2017 wildfires in Northern and Southern California. This effort comes even prior to the final report from the Department of Forestry and Fire Prevention that seeks to identify the source of the fires and any liability associated.

As you know, the 2017 fire season was among the worst in the history of California. On Oct. 8, 2017, a series of wildfires erupted in Northern California and engulfed 100 square miles. Encouraged by the same hot and windy conditions, other major wildfires soon broke out across the state, devastating more than 245,000 acres of land and destroying over 8,900 structures. Containment took nearly two weeks, and tragically 44 lives were lost. On Dec. 4, 2017, another series of wildfires erupted in Southern California, resulting in significant destruction in Ventura, Los Angeles, San Diego and Santa Barbara counties. These fires spread quickly due to strong winds and dry brush. The fires destroyed hundreds of homes and other structures, burned almost 300,000 acres, and caused widespread power outages that forced the closure of major highways and local roads. The affected communities—including13 counties—have suffered many billions of dollars in uninsured losses.

Our concern is that there is an effort underway to preemptively, and potentially retroactively, deny the rights of those who sustained losses from the fires before a full assessment of cause and determination can be made. We understand that the safety division of the California Public Utilities Commission (CPUC) and the Department of Forestry and Fire Prevention (CAL Fire) are still in the process of reviewing whether a utility might have played a role in triggering the disaster. As this investigation will take some time to determine the full extent of cause and liability, we think it is dangerously premature to consider any legislative or budgetary proposal that would make changes to liability. Furthermore, if IOU actions ahead of the fires were reasonable and prudent, there should be no need for further action to reduce liability. However, let us be clear.

CSAC strongly opposes immunity, retroactive or otherwise, for IOUs regarding <u>legal</u> liability resulting from utility-caused fires.

Should you have any questions regarding our position, we welcome an open dialogue. Please feel free to contact my staff, Darby Kernan, CSAC Deputy Executive Director for Legislative Affairs, at 916-327-7500, ext. 509, or Cara Martinson, Senior Legislative Representative, at 916-327-7500, ext. 504.

Sincerely,

Graham Knaus Executive Director

cc: Members of the California Assembly & Senate