



A PG&E bankruptcy timeline: The road to Chapter 11 and beyond

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Pacific Gas & Electric (PG&E) is in the midst of the second bankruptcy proceeding for an electric utility in the United States. The utility underwent bankruptcy in 2001. While the first proceeding stemmed from California's energy crisis, the current stems from the utility's role in recent wildfires and its resulting liabilities.

PG&E initially expected the proceeding to last two years. However, in order to qualify for the state's new wildfire mitigation fund, Federal Judge Dennis Montali is prioritizing the case to wrap up reorganization by June 30.

Utility Dive's timeline spans state legislative and regulatory efforts to hold investor-owned utilities accountable for wildfire damages, an account of the most recent and damaging wildfires in California and the bankruptcy proceeding. This tracks back to May 2018, following reports that PG&E's equipment was responsible for starting four 2017 wildfires.

October

PG&E admits fault in sparking large 2019 wildfires, judge demands 'precise details' for 3

On Monday, Judge Dennis Montali will hear arguments from creditors who want to propose their own plan.

PG&E announces \$34.4B in debt financing heading into 2nd round of exclusivity fight

The utility told a court this week that its equipment may have played a role in sparking nine fires, three of which were caused by previous problem areas.

September

California regulators launch investigation into PG&E's reorganization plan

The California Public Utilities Commission opened a formal proceeding to consider "ratemaking and other implications" of PG&E's plan to extricate itself from bankruptcy.

PG&E noteholders propose injecting \$29.2B in utility in exchange for majority stake

PG&E's period of exclusivity comes to an end today, but the utility asked for a two-month extension to be the only party that can propose a plan for reorganization due to recent progress.

California proposes IOUs collect \$900M annually for wildfire fund, with one major hurdle for PG&E

The \$21 billion fund would be seeded by both shareholders and ratepayers, but PG&E would need to exit bankruptcy to access the money.

PG&E blasts \$24B fire compensation plan as it risks losing control of reorganization

PG&E announced it reached a settlement with insurers related to the 2017 Northern California wildfires and 2018 Camp Fire. The \$11

billion settlement is significantly lower than the \$20 billion insurers say they were owed.

PG&E reaches \$11B insurance settlement over wildfire claims

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August

PG&E fights for control of its future, access to new wildfire fund

The utility told a bankruptcy court this week it is "uniquely positioned" to develop its own reorganization plan, which it pledged to file by Sept. 9.

PG&E provides new details on restructuring plan ahead of bankruptcy hearing

The utility seeks to presume all power purchase agreements and pay its court-approved pre-bankruptcy claims through "cash raised from existing equity bond holders" and "equity financed securitized bonds."

PG&E asks bankruptcy court to approve 'discounted' PPAs for storage and renewables projects

Three developers separately approached Pacific Gas & Electric to negotiate changes, in order to reduce project uncertainty created by the utility's bankruptcy.

PG&E tells court deferred maintenance did not play a role in sparking wildfires

U.S. District Judge William Alsup had directed the utility to respond to reports that it knew for years there was a risk its aging transmission system could spark wildfires.

July

PG&E bankruptcy timeline extended, creditors worry delay may block wildfire fund access

Bondholders and insurers are eager for their reorganization plans to be considered, but the utility now has until September to submit its own plan.

PG&E's grid inspections revealed almost 10K problems: Report

Of those problems, 1,000 posed safety risks severe enough to necessitate immediate attention.

California Gov. Newsom to sign \$21B wildfire liability bill today

Critics say the plan to help utilities pay wildfire damage liabilities has been rushed through the state legislature.

PG&E knew of wildfire risks for years, WSJ reports, citing company documents

Experts say the revelations in the Wall Street Journal's report could provide additional ammunition to those bringing claims against the bankrupt, embattled utility.

California Senate passes \$21B wildfire fund legislation, as Newsom pushes for final vote Friday

Some customer advocates are concerned by the bill's accelerated passage, and say it weakens utility accountability.

June

CalFire: PG&E power lines sparked new blaze

The fire, now contained, burned more than 2,500 acres. Pacific Gas & Electric said is investigating what caused a power line to fall.

PG&E bondholders propose \$30B reorganization plan, new name: Report

Under the proposal, Pacific Gas & Electric could become "Golden State Power Light & Gas Co." and pay up to \$18 billion in wildfire claims.

Split up? Increase oversight? Eliminate holding company? PG&E's future is now open for comment

California regulators are considering a range of options to improve PG&E's safety culture, including breaking apart its gas and electric service or tying its rate of return on equity to safety performance metrics.

California governor to propose 'liquidity fund' to address wildfire costs

Gavin Newsom, D, will reportedly ask lawmakers to create the fund, which would be supported by \$10 billion in bonds issued by the state's Department of Water Resources and has the support of PG&E's creditors.

PG&E reaches \$1B wildfire settlement with 18 public entities

The settlement resolves claims related to wildfires in 2015, 2017 and 2018. It does not include individual and business claims.

California approved utility wildfire plans. The next step is to see if they're working

To reduce the impacts of preventive power shutoffs — a key part of the plans — two of the state's major utilities have recommended a "resiliency adder" to incentivize distributed generation and storage.

NextEra loses bankruptcy court jurisdiction fight with PG&E over renewables contracts

A federal bankruptcy judge ruled FERC lacks jurisdiction over PG&E's power purchase contracts, and the company can move to

have them dismissed.

California fire season starts with PG&E power shut-off in 5 counties

The utility turned off power to approximately 20,500 customers in Butte and Yuba counties the weekend of June 8-9, citing dangerous conditions.

Report: PG&E considers \$11B fund to settle wildfire claims

The utility would direct about \$400 million each year to the fund, under a proposal discussed with lawmakers and major shareholder representatives.

May

California regulators approve utility wildfire mitigation plans; PUC president to step down

CPUC President Michael Picker promised to remain in his role until Gov. Gavin Newsom has chosen his replacement.

PG&E to bury distribution lines serving fire-ravaged Paradise, California

While rebuilding from the 2018 Camp Fire, the utility committed to burying power lines at no additional cost while replacing gas lines, in order to avoid another disaster.

California concludes PG&E responsible for state's deadliest wildfire

Eighty-five people died in the 2018 Camp Fire, which the California Department of Forestry and Fire Protection now says was sparked

by Pacific Gas & Electric's transmission lines.

San Francisco eyes purchase of PG&E grid assets to increase power independence

A report from the city's Public Utilities Commission concludes public ownership of the city's electric grid "has the potential for significant long-term benefits relative to investment costs and risks."

California electric customers could see rising bills due to wildfires, declining sales: CPUC

California electric rates are rising, in part because low usage is no longer offsetting rate impacts, according to a new report by the state's regulators.

California regulators dig into safety qualifications of new PG&E board

Amidst ongoing investigation into PG&E safety culture, regulators called on the embattled utility to provide detail into the safety experience of its new board members, including a new CEO and 10 new directors.

PG&E faces SEC investigation into public disclosures of wildfire losses

In its quarterly filing, the company revealed the investigation and recorded more than \$400 million in costs related to wildfire cleanup and recovery.

CPUC directs PG&E to reduce risk of power shut-offs as it mostly OKs utility fire plans

Regulators found the state's major utilities mostly compliant with state wildfire laws, but flagged seven areas for improvement for PG&E and three for SCE.

April

California PUC proposes guidelines for 'last resort' de-energizations as wildfire season looms

Utilities may need to de-energize power lines during high winds, per the CPUC proposal.

PG&E revises wildfire mitigation plan to remove hard inspection and improvement deadlines

The utility told regulators it wants to "revise certain targets" because it would likely miss some deadlines due to a range of factors, from the federal government shutdown to weather and access challenges.

PG&E asks for higher ROE to fund wildfire safety upgrades

The utility says a higher return on equity is essential to attract investors, but its proposal would raise average residential electric rates by 7%.

March

PG&E's future rests on board picks, CPUC president says

California regulators could reorganize the company or revoke its license to operate if they do not like new selections for its board of directors, California Public Utilities Commission President Michael Picker said in a wide-ranging interview.

PG&E cleared of criminal charges in 8 2017 blazes as fire officials say SCE sparked Thomas Fire

As California utilities reckon with the devastating wildfires from 2017, PG&E still faces civil lawsuits regarding the incidents, although most proceedings have been paused by their declaration of Chapter 11 bankruptcy.

Federal court denies FERC jurisdiction in PG&E bankruptcy case

FERC asserted it had "concurrent jurisdiction" and could prevent power contracts from being altered as part of PG&E's bankruptcy proceeding.

Judge scales back PG&E wildfire safety plan in new proposed order

PG&E would follow its wildfire mitigation plan under a new order from Judge William Alsup, but would not have to comply with an extensive Jan. 9 proposed order it estimated could cost \$150 billion.

PG&E says its equipment probably sparked deadly Camp Fire last year

The company announced a \$10.5 billion pre-tax charge Thursday related to third-party claims from the 2018 fire, and said its total potential wildfire liabilities could exceed more than \$30 billion.

February

PG&E disputes allegations it deferred maintenance on transmission line tied to deadly Camp Fire

"We disagree with the overall premise of the Wall Street Journal article," the utility said in a statement responding to the publication's coverage.

Split apart PG&E? The utility is open to it, but warns rates would likely rise

Splitting the bankrupt utility's natural gas and electricity businesses could bring safety improvements, PG&E officials said, but could also increase costs by duplicating services.

FERC reasserts authority over PG&E contracts in bankruptcy court filing

PG&E may want to exit older renewable energy contracts as part of a Chapter 11 bankruptcy proceeding, but FERC argued it must separately win approval from the agency to alter their terms.

All PG&E customers at risk of proactive shutoffs under proposed fire mitigation plan

All California utilities submitted their plans Wednesday, and critics of PG&E say the expanded shutoff policy is ineffective and necessitated by the utility's "repeated criminal behavior."

January 2019

Judge says PG&E violated probation, citing 'clear pattern' of fire ignitions

U.S. District Judge William Alsup denounced the utility's record in court on Wednesday, saying, "There is one clear pattern here: PG&E is starting these fires."

PG&E files for 2nd bankruptcy, ignoring investor pleas

The Chapter 11 filing was widely anticipated, although investors offered \$4 billion in funding to help the utility avoid bankruptcy. PG&E officials say they have lined up \$5.5 billion in debtor-in-possession financing, to keep operations running while the bankruptcy proceeds.

FERC claims 'concurrent jurisdiction' in PG&E-NextEra bankruptcy dispute

The commission's recent order could give NextEra and other power producers an avenue to preserve contracts with PG&E if the utility invalidates them as part of its Chapter 11 proceeding.

Cal Fire concludes PG&E did not cause 2017 Tubbs Fire, sending shares soaring

Officials said a private electrical system caused the deadly fire, but the utility remains in financial jeopardy for its involvement in other blazes and is preparing to file for bankruptcy protection.

PG&E balks at judge's potential \$150B probation terms as it faces bankruptcy

The federal judge overseeing PG&E's probation related to the 2010 San Bruno pipeline explosion is considering new conditions the utility says are infeasible, and a U.S. attorney says could interfere with other state and federal efforts.

PG&E, NextEra face off in bankruptcy-related FERC filings

PG&E expects the bankruptcy process to stretch two years, or possibly longer, leaving developers worried about getting paid for their existing power purchase agreements.

Federal judge links PG&E's uninsulated power lines to California wildfires

Federal Judge William Alsup gave PG&E and the U.S. Department of Justice until Jan. 23 to respond to the accuracy of his tentative conclusions.

PG&E to file for bankruptcy protection as California wildfire costs mount

PG&E will file for Chapter 11 bankruptcy protection near the end of the month, the company announced, as it attempts to deal with up to \$30 billion of liabilities associated with the 2017 and 2018 wildfire seasons.

California regulators move to outline wildfire cost recovery as PG&E teeters

The CPUC opened a docket to determine how much PG&E can pay for wildfire damages on the same day that Moody's downgraded its credit rating four notches.

New California governor prioritizes PG&E as CPUC moves to examine wildfire cost recovery

Democrat Gavin Newsom is reportedly having long conversations with PG&E executives as the utility hires several financial advisors to explore its options.

Murder charges unlikely, but PG&E bankruptcy or asset sales are on the table

Increased federal oversight for the embattled California utility is also likely, energy lawyers told Utility Dive.

California AG: PG&E could be prosecuted for murder

Any charges would need to be filed by local officials, but if PG&E's equipment was operated in a reckless manner and is found responsible for sparking wildfires, the utility could face criminal prosecution.

December

As California considers breaking up PG&E, utility 'open to a range of solutions'

The Friday before Christmas, state regulators said they would evaluate whether to split Pacific Gas & Electric's natural gas and electricity divisions into separate companies.

PG&E details power line damage near ignition of Camp Fire

While state officials have not made a final determination on the cause, PG&E's letter offers the clearest detail yet on how its power lines may have started the blaze.

California sees rule potential to de-energize power lines in wildfire conditions

PG&E cut off electricity service to nearly 60,000 this fall, but regulators want tighter rules on the practice as California wildfires worsen.

November

California regulators announce probe into PG&E corporate structure

The move comes as California fire officials investigate the cause of the Camp Fire, which has killed 88 people and burned more than 150,000 acres.

PG&E explains decision not to cut power ahead of Camp Fire

The utility had issued a warning to proactively cut power off for public safety but chose not to ahead of the fire in Paradise, California.

Legislation aims to shield PG&E from fire liability: 'Bankruptcy is not an option'

A California assemblyman is preparing to introduce legislation that would extend provisions of SB 901, passed earlier this year to limit utility liability from 2017 wildfires, to include fires this year.

PG&E reports second line fault in Camp Fire area

The report adds to the utility's involvement with the record blaze.

California PUC chair says state won't let PG&E go bankrupt

CPUC Chairman Michael Picker reportedly told financial analysts his agency would begin implementing a new state law that allows utilities to pass fire costs onto customers, while also expanding a probe into PG&E's corporate governance.

PG&E debt drawdown raises concerns of potential bankruptcy due to fire costs

The utility withdrew its revolving credit lines this week as its equipment was linked to the deadly Camp Fire, a move that can presage a bankruptcy filing.

Report: CPUC launches PG&E, SCE probes after 3 deadly fires

Lawsuit threats loom after two of the state's largest investor owned utilities alerted regulators to transmission issues near ground zero of blazes that started last week.

PG&E shares hit multiyear low as deadly Camp Fire rages

While the cause has not been determined, the utility reported that a line outage coincided with the most destructive blaze in California history, which has killed at least 29 people and burned 6,700 buildings.

PG&E defends planned outages as 'last resort' tool to prevent wildfires

The utility has incurred more than \$2 billion in costs related to wildfires this year and faces billions more in potential liability, putting a premium on efforts to avert such disasters.

October

California regulators moving quickly to review utility fire mitigation plans

The CPUC opened a proceeding to review utility fire mitigation measures, including new requirements set by recent legislation.

In a first, PG&E cuts power to 60,000 to prevent wildfires during wind storm

Planned outages during dry, windy conditions are the "last resort" in a wildfire prevention plan rolled out by the utility last year.

PG&E lines caused 2017 Cascade fire that killed 4, state officials say

The utility did not violate state regulations, CAL FIRE said, but California's insurance laws can hold it financially liable even if it did not break the law.

September

California approves bill to limit utility liability for wildfires, but not CAISO expansion

The state legislature wrapped up the 2018 session by passing bills including critical changes for utilities on wildfire liability laws.

August

Report: Lawmakers unlikely to give California utilities slack in wildfire liability rules

State legislators are abandoning a proposal to reduce electric utility liability in instances where the company is not found to be negligent, hesitant to do anything that will look like a "bailout."

Report: PG&E considers breaking up company to avoid wildfire liability

The company and its utility subsidiary have been highly critical of California laws that allow for wildfire liability even if standards and regulations are met, warning of the threat of bankruptcy and reorganization.

July

California Gov. Brown proposes reducing utility wildfire liability

The proposal would change rules currently requiring utilities to pay all damage costs if their equipment was involved in a fire, regardless of negligence.

California court clears PG&E of liability in 2015 fire

The Sacramento Superior court's opinion could provide a legal precedent regarding California utilities' liability for wildfires.

California to consider changing rules for utility wildfire liability

None of the changes would impact fire liability cases currently being dealt with, but changes to the rules could help utilities reduce liability payments in the future.

June

PG&E to record \$2.5B charge for California wildfires — and warns it could get worse

The utility told federal regulators that the charge does not include any amounts for potential penalties or fines.

Reports: PG&E claims wildfire liability could force bankruptcy

In an 8-K filed with the SEC, PG&E said that based on current state law, it expects to "record a significant liability for losses" associated with 10 fires.

Cal Fire: PG&E violated state law in 8 wildfires last year

The state agency released its report into 12 wildfires last week, finding electrical equipment sparked each one.

May 2018

Cal Fire: PG&E violated state law, causing 3 wildfires last year

State officials released their first investigations into the 2017 California wildfire season last week, which could pose up to a \$12 billion liability for PG&E.