



July 3, 2019

The Honorable Ben Hueso
Chair, Senate Energy, Utilities & Communications Committee
State Capitol, Room 4203
Sacramento, CA 95814

RE: AB 1054 (Holden, Burke, Mayes) Wildfires – SUPPORT MOVING FORWARD

Senator Hueso:

On behalf of the Natural Resources Defense Council (NRDC), which has over 3 million members and activists, nearly 400,000 of whom are Californians, we write in support of moving Assembly Bill 1054 out of your committee.

AB 1054 responds to the unprecedented wildfire damages of 2017-2018 with several constructive new measures, including massive investments in fire risk mitigation, enhanced safety oversight for California's grid, and carefully balanced cost recovery provisions that will help maintain the fiscal integrity of California's utilities. Without those measures, we face the unpalatable prospects of uncertainty for wildfire victims, rising energy costs, and more bankruptcies and downgrades for some of the state's most important clean energy partners.

AB 1054 is a necessary but not sufficient condition for progress in addressing catastrophic wildfires in California. As the SB 901 Commission on Catastrophic Wildfire Cost and Recovery concluded, also urgently needed are:

- Ending California's uniquely dysfunctional "strict liability" rules for utilities and replacing them with fault-based standards, like those in almost every other state (and those that California applies to its flood control districts); and
- Ensuring equitably shared responsibility for wildfire damages, as opposed to relying exclusively on utilities and their customers to compensate victims whenever utility owned equipment is involved, regardless of who else was responsible and how much.

AB 1054 should be viewed as an initial step in managing and minimizing wildfire damages. We accordingly ask for your "AYE" vote today but look forward to further progress at the earliest opportunity.

Sincerely,

Alex Jackson
Senior Attorney, Climate & Clean Energy Program

NATURAL RESOURCES DEFENSE COUNCIL

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