Resolution urging the California Public Utilities Commission (CPUC) to require PG&E to take all measures necessary to ensure that PG&E substations are safe and reliable, urging the CPUC to impose a substantial fine on PG&E for allowing unsafe and unreliable conditions to develop and persist at the Mission Substation, and calling on PG&E to compensate all persons, businesses and governmental entities that suffered economic harm as a result of any PG&E electrical outages.

WHEREAS, On December 20, 2003, a fire occurred at PG&E’s Mission Substation that resulted in the complete shutdown of the substation and left more than 100,000 customers in San Francisco without power, including downtown retail stores filled with shoppers on a peak holiday weekend; and

WHEREAS, PG&E did not call the San Francisco Fire Department (SFFD) until two hours after the first signs of trouble at the Mission Substation; and,

WHEREAS, SFFD firefighters arrived at the substation within minutes of being called, but encountered substantial smoke inside the substation and had difficulty locating the source of the fire; and,

WHEREAS, PG&E customers were left without power for as long as 19 hours as a result of the fire and subsequent outage; and,

WHEREAS, a similar fire had occurred at the same Mission Substation in 1996; and,

WHEREAS, an investigative report by the Consumer Protection and Safety Division (CPSD) of the California Public Utilities Commission (CPUC) found that PG&E had failed to heed key internal findings and recommendations arising out of the 1996 fire; and,
WHEREAS, one of PG&E's internal findings from the 1996 fire was that Substation fires can generate significant smoke, that the smoke can be potentially toxic, and that PG&E lacked adequate smoke detection equipment in the Mission Substation; and,

WHEREAS, another of PG&E's internal findings from the 1996 fire was that PG&E procedures did not require the immediate dispatch of personnel to investigate alarms from indoor substations; and,

WHEREAS, PG&E did not implement its own internal recommendations to install smoke detection equipment or to improve its response time to alarms from unstaffed substations such as Mission Substation; and,

WHEREAS, the CPSD report concluded that, if PG&E had implemented its internal recommendations arising out of the 1996 fire, the fire that occurred on December 20, 2003 would not have caused an outage to over 100,000 customers; and,

WHEREAS, on March 26, 2005, yet another fire, along with an explosion, occurred at the Mission Substation, causing an outage to approximately 22,000 customers; and,

WHEREAS, PG&E records show that there have been a total of six fires at San Francisco indoor substations since 1996; and,

WHEREAS, at the behest of the City and County of San Francisco, the CPUC has opened a proceeding to consider whether PG&E has violated state laws requiring PG&E to maintain its facilities to assure safety and reliability, whether PG&E continues to fail to assure safety and reliability at Mission Substation and other indoor substations, and whether PG&E should be fined for any violations it committed; and,

WHEREAS, fires at PG&E's indoor substations in the City, particularly at the Mission Substation which is located in a heavily trafficked area, pose a serious danger to the public health and safety and to the health and safety of SFFD firefighters; and,

**Supervisors Jake McGoldrick, Ross Mirkarimi, Sophie Maxwell**

BOARD OF SUPERVISORS
WHEREAS, outages resulting from these fires pose a threat to public health and safety and impose significant hardships, including financial losses, on San Francisco residents, businesses and visitors; and,

WHEREAS, as of July 2004, PG&E had paid claims for compensation totaling $2.2 million to individuals and businesses that suffered economic losses as a result of the December 2003 outage; and,

WHEREAS, the total economic costs to PG&E customers of the December 2003 outage are likely far in excess of $2.2 million because some costs are unrecoverable, some claims had not been presented or paid by July 2004, and some claims will never be claimed; now, therefore, be it

RESOLVED, That the Board of Supervisors applauds the CPUC for opening a proceeding regarding PG&E's maintenance of its indoor substations; and, be it

FURTHER RESOLVED, That the Board of Supervisors urges the CPUC to require PG&E to take all necessary steps to ensure that its indoor substations are safe and reliable, and that those steps include due dates for corrective measures that are enforced by regular inspections; and, be it

FURTHER RESOLVED, That the Board of Supervisors urges the CPUC to levy a substantial fine that takes into account PG&E's apparent failure to ensure safe and reliable conditions at its Mission Substation and PG&E's failure to heed its own internal recommendations to make necessary improvements, and that will deter PG&E from allowing such unsafe and unreliable conditions from developing or persisting; and be it

FURTHER RESOLVED, That the Board of Supervisors calls on PG&E to provide complete compensation to any persons, businesses, and governmental entities, including the

**Supervisors Jake McGoldrick, Ross Mirkarimi, Sophie Maxwell**

BOARD OF SUPERVISORS
City and County of San Francisco, that suffered economic harm as a result of any PG&E electrical outages; and be it

FURTHER RESOLVED, That the Board of Supervisors urges the CPUC to investigate the fairness and responsiveness of PG&E's process for resolving claims for compensation presented by victims of PG&E outages.

**Supervisors Jake McGoldrick, Ross Mirkarimi, Sophie Maxwell**

BOARD OF SUPERVISORS
Resolution urging the California Public Utilities Commission (CPUC) to require PG&E to take all measures necessary to ensure that PG&E substations are safe and reliable, urging the CPUC to impose a substantial fine on PG&E for allowing unsafe and unreliable conditions to develop and persist at the Mission Substation, and calling on PG&E to compensate all persons, businesses and governmental entities that suffered economic harm as a result of any PG&E electrical outages.

June 14, 2005 Board of Supervisors — REFERRED: City Operations and Neighborhood Services Committee

July 26, 2005 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Ammiano, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

Excused: 1 - Daly
I hereby certify that the foregoing Resolution was ADOPTED on July 26, 2005 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Mayor Gavin Newsom