



Resolution on California Wildfire Safety and Utility Infrastructure Security

WHEREAS electric utilities have long been a source of high-road union jobs for tens of thousands of working Californians, including workers who are directly employed by the utilities, workers employed by utility contractors, and workers at third-party energy generation facilities constructed under project labor agreements; and

WHEREAS the regularity and severity of climate-change-induced wildfires presents a grave and serious threat California's environment, economy and communities. Eight of the ten largest and most destructive fires in California history have occurred during the past five years, resulting in partial or complete property loss for thousands of California families, and the state has neglected to adequately manage its forests and open spaces in order to reduce fuel and limit the likelihood and intensity of wildfires; and

WHEREAS under California law, there is a strict liability standard known as "inverse condemnation" which holds all electric utilities financially responsible for all wildfires caused by utility infrastructure – even in instances where the utility is not negligent and adheres to all the standards established by state and federal regulators; and

WHEREAS, inverse condemnation is a financially unsustainable policy that has contributed greatly to Pacific Gas and Electric Company's (PG&E's) filing for bankruptcy protection, as well as the downgrading of the financial viability of California's other Investor Owned Utilities (IOUs) with credit ratings approaching junk status. Additionally, California's Publicly Owned Utilities (POUs) have also had their credit ratings reduced, and many of the clean energy projects that supply both the IOUs and POUs have also been downgraded, and are now facing financial hardship or foreclosure; and

WHEREAS the San Mateo County Central Labor Council is committed to protecting union members and all California residents from the increased risk of climate-change-induced wildfires, while also maintaining and creating quality union jobs in the utility industry and supporting California's clean energy goals, with the understanding that the 2017 and 2018 wildfires produced more greenhouse gas emissions than all the GHG emissions that have been mitigated by California's clean energy policies to date.

THEREFORE, BE IT RESOLVED, the San Mateo County Central Labor Council hereby formally calls on the Governor, State Legislature and California Public Utilities Commission to urgently:

1. Take steps to ensure that the collective bargaining agreements between IBEW Local 1245 and PG&E and IFPTE-ESC Local 20 and PG&E are maintained during and after bankruptcy. This is imperative to ensure the retention of a skilled and trained utility workforce to provide energy reliability, safety of the electricity and gas systems, consumer service, emergency response, and wildfire risk reduction through the hardening of the electric grid.
2. Return the IOUs and POUs to financial stability. Dissolution of any electric utility, or lack of financial viability of any or all electric utilities, would be devastating for union workers who provide electrical service, and an absolute catastrophe for the California residents and businesses they serve. This is a statewide problem that requires statewide solutions.
3. Create a statewide catastrophic wildfire fund, similar to the California Earthquake Authority, to provide property owners who suffered losses during the 2017 and 2018 fires with resources, as well as insurance going forward. The fund could be seeded by the IOUs, insurance companies and the State of California, and would receive contributions annually from the IOUs, insurance companies and individual California property owners through insurance.
4. Modify California's strict liability standard of inverse condemnation and utilize a prudent care standard, as has already been adopted by Flood Control Districts – holding the utilities responsible when their actions are negligent and proved to have caused or contributed to a fire.

Submitted by IBEW Local 1245 and IFPTE-ESC Local 20 on May 6, 2019

Adopted by the San Mateo County Central Labor Council on May 13, 2019