

Testimony by Bob Harrer, Barbary Coast Neighbors Board Member  
5/18/2023

Good morning, Supervisors:

My name is Bob Harrer and I am a board member representing the Barbary Coast Neighborhood Association, or BCNA. Our Association represents the people who live and work in the Gateway Center, which is the largest and most densely populated area in the southern Barbary Coast neighborhood.

To begin, we are very grateful to Supervisor Peskin for bringing this issue to your attention. BCNA asked Supervisor Peskin's office for help on Friday night April 28, two days after the outage began. He promptly followed up with PG&E. Even with his support, power was not restored by PG&E until Tuesday May 2<sup>nd</sup> for all of the Gateway buildings.

We are deeply concerned about the inaccurate information and lack of appropriate response from PG&E during the power outage. You will hear (have heard) from the Gateway Tenants Association and the management company Greystar. They will discuss (have discussed)

- The lack of accurate and timely communication from PG&E to Gateway management, residents and businesses. This lack of accurate information delayed the Gateway's response capacity. The result was it jeopardized the help for people trapped on the upper floors of the 22+ story buildings for days.
- In addition, the information on PG&E's power restoration website was inaccurate.

In summary, this incident created major difficulties for more than 2000 people living and working at the Gateway Center apartments and businesses. PG&E must do better.

Please also see formal statement of the Barbary Coast Neighborhood Association submitted by Diana Taylor, President

Testimony: BOS-Govt, Audit, Oversight Committee Meeting (5/18/2023); File #230517

From Philippe Sonne, Treasurer Barbary Coast Neighborhood Association

Good morning, Supervisors:

My name is Philippe Sonne and I live at the Gateway Apartments (The building at 155 Jackson Street). I am a board member of the Barbary Coast Neighborhood association (BCNA). I lived through the recent power outage and I would like to comment on these events.

First of all, we are very grateful to supervisor Aaron Peskin for helping us through this ordeal and for bringing this issue to your attention. I would also like to thank the Gateway Management and staff for their help.

Ours is a 25 story building. Many of our residents are elderly, others are professionals. With the sudden loss of power on Wednesday April 26<sup>th</sup>, we were all in the dark but power is required to provide water to the upper floors. The stoves are all electrical so no food, no phones, no internet, no elevators and for the upper floors no water, no shower and no working toilet. It is fair to say that we were helpless.

PG&E response was not adequate. Their communication made matter worse. We were led to believe that power will be restored in a matter of hours. But PG&E missed their own power restoration times. They robbed some of us of the option to leave.

Neither I nor my neighbors received any assistance from PG&E, not even water. It is a tower with 600 residents and a big lobby, one of three buildings without power. If you want to help you cannot miss it. Thankfully the Gateway management took matter in their own hands and brought generators from across the state to restore power to my building on Saturday morning. It is disappointing that PG&E was not willing or able to go the extra step and provide such temporary relief to all our residents. Finally my building was connected back to PG&E on Monday late at night.

In summary, this was a very hard situation for all residents of the Gateway. We live in a major city not in the middle of nowhere. I hope you keep PG&E accountable for their poor response, inaccurate communication and lack of empathy. This city and its residents deserve better.

Sincerely

Philippe Sonne

Cc: Supervisor Aaron Peskin

Government, Audit and Oversight Committee of the SF Board of Supervisors  
City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689  
c/o Committee Clerk Stephanie Cabrera, [stephanie.cabrera@sfgov.org](mailto:stephanie.cabrera@sfgov.org)

RE: GAO File No. 230517, 5/18/2023 Agenda Item 3, Hearing on PG&E Electric Fire Response and Power Outage Affecting Gateway Residents and Businesses (4/26-5/1/2023)

Dear Supervisors Preston, Stefani, and Chan,

First, we are deeply grateful to Supervisor Peskin for bringing this issue to your attention.

The Barbary Coast Neighborhood Association represents the people who live and work in the Gateway Center, the largest and most densely populated area in the southern Barbary Coast neighborhood. [see map]

We are deeply concerned about the lack of appropriate response and reliable timely information by PG&E to the power outage that affected the more than 2000 people living and working in southern part of the Barbary Coast neighborhood—the Gateway Center apartments and businesses.

In particular, we are concerned about the...

- Lack of accurate and timely communication from PG&E to the Gateway management, as well as to residents and businesses.
- Inaccurate public information on the PG&E power outage and power restoration website.
- Impact from poor or inaccurate communication which delayed the Gateway response capacity and jeopardized adequate help to people trapped on the upper floors of the 22-25 story buildings.
- Breakdown in communication between PG&E, the City Emergency Management systems and Supervisor Peskin. When PG&E missed their own power restoration times, BCNA asked Supervisor Peskin's office to intervene on Friday night, 4/28; the Dept of Emergency Management gave the Supervisor information that power would be restored by Saturday morning then Saturday afternoon. Power was not restored by PG&E until May 2<sup>nd</sup> for all of the buildings.
- Continuing misinformation communicated to Mayor Breed. Most objectionable is the letter from PG&E to Mayor Breed dated May 11<sup>th</sup> that includes multiple inaccuracies. Notably, PG&E references "three customers" left without power after 5 days instead of the honest response that there were 3 BUILDINGS that include approximately 1800 PEOPLE (also customers)!

In summary, this incident created major difficulties for more than 2000 people living and working at the Gateway Center apartments and businesses. PG&E must do better.

Sincerely,

Diana Taylor, President  
Barbary Coast Neighborhood Association ([www.bcnasf.org](http://www.bcnasf.org))  
[BCNA@BCNASF.org](mailto:BCNA@BCNASF.org) / [DianaTaylor50@gmail.com](mailto:DianaTaylor50@gmail.com)

Cc: Supervisor Aaron Peskin





## Major Residential Neighborhood Zones in the Northern Waterfront

### Northern BCNA:

- Condos, Senior Housing Apts\*
- Total dwelling units = 988
- Total Constituents ~ 1,976
- Levi Plaza Park, Fisherman's Wharf

### Dense residential zones

### Southern BCNA:

- Apts, Townhouses, Condos\*\*
- Total dwelling units = ~ 1,909
- Total Constituents ~ 3,818
- Walton Park, Sue Bierman Park

\*Telegraph Landing, 101 Lombard, Parc Telegraph Condos, Senior Housing  
 \*\*Gateway Apts/Townhouses, Gateway Commons Condos, Broadway/Sansome/Davis Family Apts

View of the Gateway Center Apartments/Townhouses from Sydney Walton Square



## STATEMENT OF THE GATEWAY TENANTS ASSOCIATION

My name is Kevin Prichard, and I'm a board member of the Gateway Tenants Association (GTA). We represent the tenants of The Gateway apartment complex, which comprises more than 1,250 apartments and is home to an estimated 2,500 residents. We are located in downtown, within the borders of the Barbary Coast Neighborhood Association (BCNA).

In the days following restoration of power to The Gateway, we sent an online survey to the membership of our Tenants Association. I am here to present their experiences during the power outage.

Gateway tenants reported being without electricity for three to five days. Elevators in our twenty-two and twenty-five story towers were out for days. With many of our residents being elderly, they were physically unable to climb stairs.

Refrigerators and appliances were unusable, and a significant amount of food was lost - over \$9,400 reported by the survey's 59 respondents. There was also no heating, lighting, or internet.

In addition to the total loss of power, our tenants reported going for days without any water - hot or cold. That meant no working toilets, and with the outage causing the loss of central ventilation, apartments quickly became malodorous and potentially hazardous to health. Tenants with physical limitations, who were unable to climb stairs, were stranded on high floors for days. Tenants with powered medical devices were without them for days.

These days without power were not a minor inconvenience; for many of our tenants, it was a major health and safety calamity. We are extremely lucky that nobody suffered a major medical incident. Picture an EMT team carrying stretchers up and down twenty flights of stairs.

Students and business people had no access to the internet and were unable to complete school assignments, prepare for exams, or perform their work.

Those who were able to escape this disruption, either to a nearby hotel or a relative's home, recounted having to carry their children, luggage, and pets down many flights of stairs. Given the handful of unclear or mistaken messages we received from PG&E, residents weren't sure when to return.

Very early in our plight, the management team at Gateway (Greystar) sprang into action, renting nearly a dozen heavy-duty generators which were trucked in from all over the western United States, and at great expense. PG&E provided just one generator, supplying power to only one building.

We are left with the strong impression that PG&E suffers from an institutional blindness to the needs of its customers. We witnessed lengthy downtime, overly optimistic (and missed) power restoration estimates, and the incorrect claim that all PG&E power had been restored by Saturday evening - when, in fact, the majority of the complex was still unpowered by PG&E, was still relying on Gateway's rented generators, and would not be powered by PG&E until May 1st.

An hour to two hours prior to the power outage, some neighborhood residents smelled what they described as the odor of "an electrical fire." We also observed numerous power dips and brief brownouts leading up to the extended outage. This knowledge, coupled with the apparent lack of PG&E's response to the transformer fire and outage until well after the power went off, leaves me wondering whether PG&E is even able to detect problems in its own equipment and systems.

I call upon the Board of Supervisors to implement an oversight regime for PG&E operations within San Francisco. In the wake of this tremendous disruption, many questions arise, such as:

- Does PG&E maintain an inventory of their operational equipment, and its age and health?
- Does PG&E have the ability to remotely sense failing equipment to enable repair management to prioritize replacements? It's 2023, this seems vital
- Is PG&E aware of the population numbers of the areas it serves? Do they have access to U.S. Census Records and know the number of residents residing at its customers' apartment buildings?
- Did PG&E have awareness, at the time it announced power to all customers had been restored, that it actually was not supplying power through its systems to The Gateway complex?

San Francisco is known to the world as a city of beautiful homes, great attractions, and a population that enjoys the comforts of modern living. However, during the PG&E power outage, at least one neighborhood certainly felt these observations were untrue.

The tenants of The Gateway felt ignored and misled by PG&E during the April 2023 power outage crisis. No one should ever have to experience what we did. PG&E has

access to tremendous resources, and we believe they could have prevented this crisis if they had better oversight and priorities. I again commend The Gateway's property managers for rapidly filling the void left by PG&E and taking care of our residents' needs.

I want to close by asking the Board to truly make change and take preventive action. Utilize your power to oversee PG&E and pass legislation if your oversight powers are presently insufficient. Thank you for your time.

With much respect and support,

Kevin Prichard  
Tenant Representative & Board Member,  
Gateway Tenants Association  
Email: [gta.vista.south@gmail.com](mailto:gta.vista.south@gmail.com)  
Mobile: (415) 583-8359

# **STATEMENT of the GATEWAY TENANTS ASSOCIATION on PG&E's April 2023 Power Outage**

My name is Kevin Prichard, and I'm a board member of the Gateway Tenants Association (GTA). We represent the tenants of The Gateway apartment complex, which comprises more than 1,250 apartments and is home to an estimated 2,500 residents. We are located in downtown, within the borders of the Barbary Coast Neighborhood Association (BCNA).

In the days following restoration of power to The Gateway, we sent an online survey to the membership of our Tenants Association. I am here to present their experiences during the power outage.

Gateway tenants reported being without electricity for three to five days. Elevators in our twenty-two and twenty-five story towers were out for days. With many of our residents being elderly, they were physically unable to climb stairs.

Refrigerators and appliances were unusable, and a significant amount of food was lost - over \$9,400 reported by the survey's 59 respondents. There was also no heating, lighting, or internet.

In addition to the total loss of power, our tenants reported going for days without any water - hot or cold. That meant no working toilets, and with the outage causing the loss of central ventilation, apartments quickly became malodorous and potentially hazardous to health. Tenants with physical limitations, who were unable to climb stairs, were stranded on high floors for days. Tenants with powered medical devices were without them for days.

These days without power were not a minor inconvenience; for many of our tenants, it was a major health and safety calamity. We are extremely lucky that nobody suffered a major medical incident. Picture an EMT team carrying stretchers up and down twenty flights of stairs.

Students and business people had no access to the internet and were unable to complete school assignments, prepare for exams, or perform their work.



Those who were able to escape this disruption, either to a nearby hotel or a relative's home, recounted having to carry their children, luggage, and pets down many flights of stairs. Given the handful of unclear or mistaken messages we received from PG&E, residents weren't sure when to return.

Very early in our plight, the management team at Gateway (Greystar) sprang into action, renting nearly a dozen heavy-duty generators which were trucked in from all over the western United States, and at great expense. PG&E provided just one generator, supplying power to only one building.

We are left with the strong impression that PG&E suffers from an institutional blindness to the needs of its customers. We witnessed lengthy downtime, overly optimistic (and missed) power restoration estimates, and the incorrect claim that all PG&E power had been restored by Saturday evening - when, in fact, the majority of the complex was still unpowered by PG&E, was still relying on Gateway's rented generators, and would not be powered by PG&E until May 1st.

An hour to two hours prior to the power outage, some neighborhood residents smelled what they described as the odor of "an electrical fire." We also observed numerous power dips and brief brownouts leading up to the extended outage. This knowledge, coupled with the apparent lack of PG&E's response to the transformer fire and outage until well after the power went off, leaves me wondering whether PG&E is even able to detect problems in its own equipment and systems.

I call upon the Board of Supervisors to implement an oversight regime for PG&E operations within San Francisco. In the wake of this tremendous disruption, many questions arise, such as:

- Does PG&E maintain an inventory of their operational equipment, and its age and health?
- Does PG&E have the ability to remotely sense failing equipment to enable repair management to prioritize replacements? It's 2023, this seems vital
- Is PG&E aware of the population numbers of the areas it serves? Do they have access to U.S. Census Records and know the number of residents residing at its customers' apartment buildings?
- Did PG&E have awareness, at the time it announced power to all customers had been restored, that it actually was not supplying power through its systems to The Gateway complex?

San Francisco is known to the world as a city of beautiful homes, great attractions, and a population that enjoys the comforts of modern living. However, during the PG&E power outage, at least one neighborhood certainly felt these observations were untrue.

The tenants of The Gateway felt ignored and misled by PG&E during the April 2023 power outage crisis. No one should ever have to experience what we did. PG&E has access to tremendous resources, and we believe they could have prevented this crisis if they had better oversight and priorities. I again commend The Gateway's property managers for rapidly filling the void left by PG&E and taking care of our residents' needs.

I want to close by asking the Board to truly make change and take preventive action. Utilize your power to oversee PG&E and pass legislation if your oversight powers are presently insufficient. Thank you for your time.

With much respect and support,

Kevin Prichard  
Tenant Representative & Board Member,  
Gateway Tenants Association  
Email: [gta.vista.south@gmail.com](mailto:gta.vista.south@gmail.com)  
Mobile: (415) 583-8359

**From:** [Doctor Krotz](#)  
**To:** [Cabrera, Stephanie \(BOS\)](#)  
**Subject:** Government Oversight meeting  
**Date:** Wednesday, May 17, 2023 8:23:23 PM

---

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello Ms. Cabrera,

I just returned home from work and saw the attached post in the elevator at 440 Davis Ct. There hasn't been any other communication from our building management regarding this meeting, which is tomorrow morning at 10 am.

I am hoping you can pass along this email to the committee members and share my frustration as a working professional about the poor planning and communication regarding this event. It is tone-deaf in light of the subject matter regarding the days-long power outage we endured in our building.

To have a meeting without much notice in the middle of the work day proves the point that the committee members have no idea how the working class survived the power outage, especially those working professionals such as myself who live on the 18th floor and were literally stranded for three days due to mobility issues climbing down 18 stories of a high rise.

If the committee truly wanted to hear our concerns, the first step is to make your meeting accessible for all. Of course, there is a call-in line, but as a school Principal, I can hardly take a moment to call in at 10:00 on a school day with one day's notice.

Lots to say, but no platform because no one cares. The state of San Francisco's government, to be sure.

This is not directed at you, Ms. Cabrera, I am just asking you to pass along the message. Thank you!

Sheila M. Krotz, Ed.D.  
*"Preparation for 21st Century Learning and Living"*  
[www.doctorkrotz.com](http://www.doctorkrotz.com)



Regarding the recent PG&E power outage will take place at 10 a.m. on Thursday in the Legislative Chamber, Room 250. There is also the option of accessing and participating remotely. If you'd like to comment about how the power outage affected you or failed to provide adequate service, this is your chance. The more people participate, our concerns will be listened to. Here is all the needed information:

## City and County of San Francisco Meeting Agenda

### Government Audit and Oversight Committee

Members: Dean Preston, Catherine Stefani, Connie Chan Clerk: Stephanie Cabrera

City Hall  
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Thursday, May 18, 2023

(415) 554-7722 ~ [stephanie.cabrera@sfgov.org](mailto:stephanie.cabrera@sfgov.org)

10:00 AM City Hall, Legislative Chamber, Room 250

#### Remote Access to Information and Participation

The Board of Supervisors ([www.sfbos.org](http://www.sfbos.org)) and its committees convene hybrid meetings that allow in-person attendance, in-person public comment (prioritized before remote public comment), remote access (watch: [www.sfgovtv.org](http://www.sfgovtv.org)), and remote public comment via teleconference (<https://sfbos.org/remote-meeting-call>). Members of the public may also submit their comments by email to the Clerk listed above; all comments received will be made a part of the official record.

#### **PUBLIC COMMENT CALL IN**

1 (415) 655-0001 / Meeting ID: 2602 239 9625 ##

(Press \*3 to enter the speaker line)



**From:** [naomi hofacket](#)  
**To:** [Cabrera, Stephanie \(BOS\)](#)  
**Subject:** Failure of PG&E During Power Outage - April 26-May 1, 2023  
**Date:** Wednesday, May 17, 2023 7:58:19 PM

---

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To The Board of Supervisors:

I am Naomi Hofacket, resident at 550 Battery Street, Apt 501, San Francisco, Ca.

The carelessness, lack of concern and lack of professional response to this outage by PG&E was egregious. I personally was affected by their lack of appropriate action. I am partially disabled and during the power outage was trapped, and isolated on the fifth floor of our apartment building for three days and nights. As well as losing power in my apartment for that time, I also suffered from the loss of elevator access. Additionally, I lost approximately \$200 in food stuffs due to the lack of power for my refrigerator and freezer. Without power for my phone and computer, I also suffered from the loss of communication with family and friends.

I was fortunate to live below the 7th floor of my building. Those living on the seventh through twenty-third floors suffered all of the above as well as the deprivation of potable water since electricity is needed to pump water to those floors. This is a very clear health hazard.

Additionally, PG&E continually lied to and misled us and the complex management - and to the press about their work and progress. On Friday, April 28, they left the site saying they would return on Saturday morning to complete their work. On Saturday morning we were informed that they chose not to return until Monday, May 1. We had power only because complex management chose, at great cost, to bring in disaster management staff to restore power to all of the buildings.

PG&E needs to be held accountable and make reparation.



**From:** [Angulo, Sunny \(BOS\)](#)  
**To:** [BOS Legislation, \(BOS\)](#); [Cabrera, Stephanie \(BOS\)](#)  
**Cc:** [Preston, Dean \(BOS\)](#); [Hernandez, Melissa G \(BOS\)](#); [Peskin, Aaron \(BOS\)](#)  
**Subject:** GAO File No. 230517 - Letter from Patti Poppe  
**Date:** Monday, May 15, 2023 1:05:08 PM  
**Attachments:** [\(May11 23\) Poppe\\_SF Response Letter.pdf](#)

---

Good afternoon, Stephanie and Chair Preston –

Please include the following response letter from PG&E in the Board [File No. 230517](#) on this Thursday's agenda for GAO.

Best,  
Sunny

---

**From:** Mueller, Theresa (CAT) <Theresa.Mueller@sfcityatty.org>  
**Sent:** Thursday, May 11, 2023 5:02 PM  
**To:** Hale, Barbara (PUC) <BHale@sflower.org>; Flynn, Ronald (PUC) <RFlynn@sflower.org>; Carroll, Maryellen (DEM) <maryellen.carroll@sfgov.org>; Angulo, Sunny (BOS) <sunny.angulo@sfgov.org>; SMITH, JESSE (CAT) <Jesse.Smith@sfcityatty.org>; MERE, YVONNE (CAT) <Yvonne.Mere@sfcityatty.org>  
**Subject:** Letter from Patti Poppe

Please see attached.

**Please Note: I am working remotely part of each week. Email is the best way to contact me.**

Theresa L. Mueller (she/her)  
Deputy City Attorney  
Office of City Attorney David Chiu  
Office: 415-554-4640

Confidential & Privileged  
Attorney Client Communication  
Attorney Work Product

---

May 11, 2023

Mayor Breed:

Thank you for your recent letter and for your continued focus on our shared aim of providing safe, clean, reliable and affordable energy to our customers in San Francisco. I am responding to your comments about recent outages and the City and County of San Francisco's plan to acquire PG&E's assets in the City.

### Recent Outages

At PG&E, we strive to always keep power flowing for our customers. Nevertheless, outages can occur, including from time-to-time outages that last longer than 24 hours. We know that an outage, no matter how small or short in duration, can cause a significant disruption to the lives of our customers. To serve the City during any such events, we provide prioritized restoration (including bringing electric crews from outside of the City), assessment of backup power needs, enhanced customer and stakeholder communications, and other resources before and during power outages to critical facility customers that provide essential public services, such as hospitals, police and fire stations. These measures can help mitigate against long-duration outages, as can customer-owned backup generation.

The outage that began the evening of April 26 in San Francisco impacted 9,454 service connections. PG&E was on scene within 15 minutes of the initial call and immediately started assessing and planning for the restoration as the situation was made safe by the City's first responders. The majority of service connections (8,876) were restored in less than 24 hours. The remaining customers experienced an extended outage and were restored on April 30.

To respond to the outage, we quickly activated our local emergency operations center, which follows the Incident Command Structure (ICS) and is staffed with individuals who are trained in responding to incidents and events.

Impacted customers received direct communication with an initial estimated restoration time and updates as the assessment, repair and restoration process unfolded. As the event progressed and we realized restoration may be extended, we installed a generator at 440 Gateway and looked at temporary generation for additional customers, but it was technically infeasible. Over the weekend, we had company representatives on site who could communicate with customers in language. The team provided water and hundreds of food vouchers to customers who remained without power.

Additionally, we were in frequent communication with CCSF leadership and public safety partners. As part of the emergency protocols, we assigned a single point of contact for City officials (Bill Chiang from our Local Government Affairs team) and a Public Safety Specialist (Jim Wickham) to communicate with CCSF's Public Safety officials. These two individuals communicated with city and public safety contacts more than 50 times over the course of the outage. In addition to the individual outreach they conducted, both Bill and Jim participated in the scheduled SFDEM calls that were held once or twice daily throughout the event.

As mentioned, our teams conduct increased outreach during emergencies, but you always have access to the team should you have questions, ideas, concerns, or escalations outside of the regular updates.

Finally, Aaron Johnson, PG&E's Regional Vice President for the Bay Area region, participated in emergency operations coordination during this event and helped ensure all needed resources were made available for customers and crews performing the work. Aaron Johnson is available to support



in the event of any significant issues, including major outages or emergencies, that occur in the region.

While our teams are still in the process of conducting a full investigation on the cause of the April 26 outage, we have validated that routine scheduled inspections were conducted on the affected equipment, which was operating within normal parameters.

The storm related outage at San Francisco General Hospital in March was longer than desired due to multiple instances of storm damage to the electrical grid in and around the facility. Again, communication between the City and PG&E was robust throughout the event. Aaron Johnson has followed up with San Francisco Public Utilities Commission Assistant General Manager for the Power Enterprise Barbara Hale to explain what transpired and proposed a formal after-action review (AAR), which we are in the process of scheduling. In the meantime, PG&E's customer account manager assigned to CCSF has scheduled an AAR with the SF Department of Public Health next week. This collaborative effort will allow both the City and PG&E to identify opportunities to improve operations and communications, and to reinforce incident command communication channels for the City and hospital, which is SFPUC's customer of record.

As to the 2021 outage at the City's new 911 facility, we recognize the importance of this critical customer and it was among the first sites visited by Aaron Johnson in taking on his regional leadership role two years ago. To ensure the resiliency of this critical facility, we urge the City to consider adding a second electrical connection to this critical facility to increase reliability – a best practice for critical emergency operations facilities. We stand ready to help engineer that resiliency solution to support our customers.

### CCSF's Takeover Effort

As you noted, PG&E's core focus is to provide safe, clean, reliable and affordable service to our customers.

We do not believe that the City's attempt to take our assets benefits our customers. In fact, we expect that the City's spending billions of dollars to replace PG&E will detrimentally affect customers inside and outside of San Francisco. This is exactly the position that we have taken in response to the City's petition at the CPUC and why we will continue to contest that takeover effort.

As a preliminary matter, CCSF has substantially undervalued PG&E's assets. The City's 2019 offer of \$2.5 billion does not recognize the true value of these assets. The City's more-recent submission to the CPUC, which reduces that valuation, reflects the City's lack of understanding of our asset base, its value, and the complexity of this work. PG&E has proposed and has already invested or is in the process of investing \$3 billion in capital projects in San Francisco between 2005 and 2025, which alone exceeds the City's offer. Ultimately, we estimate that the true cost of acquiring this infrastructure will be billions of dollars higher than the City's offer, leaving customers in San Francisco to face increased energy bills, decreased city services, and higher taxes to pay for the takeover.

You may be aware that IBEW, Local 1254, the union representing the men and women who currently serve San Francisco, opposes the City's takeover effort, raising serious concerns about the city's ability to recruit a qualified workforce. In the face of climate change and more frequent extreme weather, PG&E leverages a systemwide resource pool to hasten emergency response. A newly formed government-run utility with an inability to recruit qualified talent would lack those resources and stand alone in its response, ultimately reducing reliability and impacting customers.



San Francisco's proposed takeover will also negatively impact our customers outside of San Francisco. Fragmenting the State's energy policy will negatively affect ongoing efforts to advance California's critical climate goals and address wildfire risk, as well as increase other customers' costs, reduce reliability, and impact safety. There are also significant questions about the City's ability to do this critical work given the significant scale and complexities of the assets that the City is proposing to take.

In the face of this ongoing disagreement about who is best qualified and situated to provide electrical service in San Francisco, it is essential that we improve the on-the-ground working relationship between City departments and PG&E to provide the best possible service to the residents of the City. For example, Aaron Johnson and Interim Director of the Department of Public Works Carla Short and our staffs have been working together over the last month to improve PG&E's response to City projects that require utility support, and to provide timely permits to PG&E to perform maintenance work and connect new customers. This sleeves-rolled-up approach to collaboration reflects our desired working relationship.

We are committed to serving San Francisco residents and are prepared to meet to further discuss any concerns related to the recent outage once we have completed our investigation. Sarah Yoell, the manager of our Local Government Affairs Bay Area team will be following up with your office to schedule a time to meet in the near future.

Sincerely,

A handwritten signature in black ink that reads 'Patti Poppe'. The signature is written in a cursive style with a large, sweeping initial 'P'.

Patti Poppe