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PG&E Caps Best Day Since Going Bankrupt as California Offers Help.

- **Governor's report includes option of fund to help utilities**
- **Legislature asked to act on liability problem by July 12**

California Governor Gavin Newsom gave legislators just three months to address a multibillion-dollar wildfire liability problem that has forced the state's largest power company, PG&E Corp., into bankruptcy and threatens the same fate for its other utilities.

The governor issued a report Friday outlining possible solutions for how costs for destructive wildfires will be covered — including a possible fund that utilities can tap into — that sent the clearest signal yet that the state will move to keep its power companies solvent. He called for legislation to be passed before lawmakers take a month-long summer recess on July 12, sending shares of PG&E and its peers soaring.

The wide-ranging report gave Wall Street optimism that California will work with utilities to solve an intractable problem: who pays for wildfires as climate change threatens to make them deadlier and more frequent. Now, the task of developing a concrete approach falls to lawmakers, who need to work quickly as another fire season nears.

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Bloomberg Markets

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