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California Senator Drafts Bill to Turn PG&E Into Public Utility.

- **Scott Wiener wants to force bankrupt utility to become public**
- **Preliminary plan underscores frustration amid outages, fires**

California State Senator Scott Wiener said he's planning to introduce a bill next year that would force bankrupt power giant PG&E Corp. to become a public utility.

"We are looking at legislation to force PG&E to become a public utility, but that's still in the early planning stages and we haven't settled on the exact details yet," the San Francisco Democrat said in a phone interview. He intends to introduce "some sort of legislation forcing them to become a public utility" by the mid-February deadline for new bills, Wiener said.

The plan, while preliminary, shows the growing impatience lawmakers and municipal leaders have with PG&E, which plunged millions of Californians into darkness during mass power outages last month to prevent wildfires that still occurred. Government leaders representing nearly a third of PG&E's customers have urged California regulators to consider turning the company into a customer-owned cooperative.

Wiener's proposal would help protect the people of California, since the bankruptcy court's focus is generally to help creditors, he said. Wiener considers some form of public control of PG&E "desirable." The government of San Francisco has already made a \$2.5 billion bid for the wires that PG&E runs within the city's limits. The company has so far rebuffed its efforts.

Cases of successful transitions of investor-owned utilities into public entities have occurred in smaller, more confined areas, said A.J. Sabatelle, an associate managing director at Moody's Investors Service.

Asked if his bill signals that the legislature is showing momentum toward a public model, Wiener said he couldn't speak for others and that lawmakers have "diverse views." California Governor Gavin Newsom pressed PG&E Chief Executive Officer Bill Johnson in a meeting last week to reach a swift resolution to the company's bankruptcy or face a potential state takeover.

"Ultimately, the governor's view is going to be extremely impactful," Wiener said.

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By Romy Varghese

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— *With assistance by David R Baker*

