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In re PG&E Corporation

United States Bankruptcy Court, N.D. California - November 27, 2019 - B.R. - 2019 WL 6492472 - 68 Bankr.Ct.Dec. 19

In proceedings for estimation of unliquidated claims arising from California wildfires admittedly caused by the equipment of Chapter 11 debtors, a private gas and electric utility and its holding company, the debtors, joined by unsecured creditors committee and certain shareholders of company, challenged application of the doctrine of inverse condemnation in connection with the wildfires.

Tort claimants committee, ad hoc group of subrogation claim holders, and other parties supported continued application of the doctrine.

The Bankruptcy Court held that, under California law, as predicted, the doctrine of inverse condemnation applied to debtors, as privately-owned utilities.