

October 11, 2019



The Honorable Gavin Newsom
Governor, State of California
1303 10th Street, Suite 1173
Sacramento, CA 95814

Mr. William D. Johnson
President and CEO, PG&E Corporation
P.O. Box 997300
Sacramento, CA 95899-7300

RE: Public Safety Power Shutoff

Dear Governor Newsom and Mr. Johnson,

On behalf of California's grocery industry, I write to share with you our experience with the recent Public Safety Power Shutoff (PSPS) initiated by Pacific Gas Electric. Along with you, our first priority is always the safety of all Californians, which includes our customers, employees and those living in the communities we serve. As we all know the assessment, recovery, and preparation for future events is just as important as the initial response to an incident. Understanding this we feel it is important to share the effect of this recent PSPS event on the grocery industry in order to mitigate similar negative impacts in the future.

Grocers recognize the important roles we play in the daily lives of Californians, especially when disasters arise. This is why the California Grocers Association developed a Memorandum of Understanding with the California Governor's Office of Emergency Services in 2008 to solidify and formalize our role providing emergency response and recovery from all types of disasters. As an industry we take pride in supporting our communities by the relationships developed with the State of California and fellow business entities to respond, mitigate, and recover from disasters with minimal impact. Unfortunately, this recent PSPS event created significant challenges for grocers to maintain operations and continue to serve Californians with necessities.

Unlike other recent emergency events, this PSPS event impacted every grocer within the incident area. Recent disaster events, like fires and earthquakes, closed some grocery stores and left others able to remain open or return to normal operations quickly, sometimes within minutes. With the broad reach of the PSPS areas large swaths of grocers were shut down and either remained closed or only able to resume limited operations after significant effort. Our concern is this broad reach of closures severely limits our ability to help the public, for them to acquire and maintain adequate food and water stores, as well as access to necessary health and safety items including medical prescriptions.

Loss of power impacts grocery stores in several significant ways. The most critical systems are point-of-sale systems and refrigeration to maintain cold holding temperatures of perishable and frozen food items. Without point-of-sales systems it is essentially impossible to perform transactions for consumers. Most important is the potential loss of the ability to perform transactions for SNAP and

PAGE 2

WIC consumers, who include some of Californians most vulnerable populations. Limited ability to serve customers utilizing these programs for several days is a threat to their health and safety and increases reliance on limited emergency food supplies.

Specific to maintaining cold holding temperatures, it requires significant power to keep refrigerators and freezers online. Failure to keep perishable products at certain temperatures will result in mass spoilage, creating significant food waste and the potential for health and safety concerns, none of which we understand to be recoverable through existing policies. While some grocers were eventually able to secure portable electrical generators, the supply of generators large enough to keep refrigeration systems operational were far and few between and also being sought out by several other industries. Grocers without access to large generators responded by transferring perishable food items to Transport Refrigeration Units (TRU) located in parking lots. While this solution has the potential to keep food from spoiling for a time, it does not allow for consumer accessibility and comes with its own negative operational impacts, including loss of equipment necessary for food distribution.

As emergency response partners we look forward to further cooperation with the State of California and the opportunity to engage with the Governor's office, Pacific Gas and Electric Company, and other utilities to mitigate or eliminate these impacts if future PSPS events are necessary. As part of this effort I invite you to meet with CGA to better understand the consequences of broad and lengthy PSPS impacts on the ability to provide Californians food, water, and health and safety products.

Thank you for the opportunity to join in protecting and providing relief for all of California during emergency situations. We look forward to further conversation and cooperation.

Sincerely,



Ron Fong
President/CEO
California Grocers Association

CC: The Honorable Toni G. Atkins, California Senate President Pro-Tempore
The Honorable Anthony Rendon, California Assembly Speaker
Mr. Mark Ghilarducci, Director of California Office of Emergency Services
Mr. Kevin M. Payne, CEO of Southern California Edison
Mr. Kevin Sagara, Chairman and CEO, San Diego Gas and Electric Company
California Grocers Association Board of Directors