PIFC

Personal Insurance Federation of California

UTILITY SHAREHOLDER BAILOUT COST IMPACT FACT SHEET

Utility Shareholders Get a Bailout. Homeowners and Businesses Pay the Price.

The utilities' shareholder bailout doesn't eliminate wildfire costs. It shifts the costs into homeowners and business insurance premiums.

WHAT RATEPAYERS PAY TODAY FOR IOU WILDFIRE LIABILITY

VS

$10 per month[1]

$120 per year for utility wildfire liability. IOU shareholders also pick up a share of the cost.

Wildfire-Related Portion of Monthly Bill

Table 12 shows the wildfire-related portion of a bundled residential non-CARE[115] customer average monthly bill resulting from the year-end 2024 wildfire-related revenue requirement (blue and red bars) represented in Figure 10.[116]

Table 12: PG&E, SCE, and SDG&E Wildfire-Related Portion of Average Monthly Bill, Bundled Residential Non-CARE Customers (Year-End 2024)

	Total Monthly Bill	Wildfire Mitigation	Wildfire Liability	Total Wildfire-Related Portion (%)
PG&E	$212	$31	$10	19%
SCE	$159	$17	$10	17%
SDG&E	$153	$11	$10	14%

WHAT HOMEOWNERS WOULD PAY UNDER THE SHAREHOLDER BAILOUT

+ $375-$500

*Estimated average **statewide** homeowners insurance **annual premium increase**[2]*

- *STATEWIDE:15-20% average annual homeowners insurance premium increase [4]*

+ $1,125-$1,875

*Estimated average homeowners insurance **annual premium increase** in **fire-risk neighborhoods**[3]*

- *FIRE-RISK AREAS (Wildland-Urban Interface): **30-50%** average annual homeowners insurance premium increase [4]*
- ***3.7 million Californians** live in a CalFIRE Fire Hazard Severity zone. [5]*
- *Premiums in fire-risk neighborhoods are already **50-200% higher than the rest of the state.** [6, 7]*

This bailout scheme would cause an affordability and underinsurance crisis.

THE SHAREHOLDER BAILOUT DOESN'T REDUCE WILDFIRE COSTS. IT SHIFTS THEM ONTO CALIFORNIA FAMILIES.

Utility Causes Fire → Insurers Absorb More Losses → Homeowners and Businesses Pay Higher Premiums

CALIFORNIANS SHOULDN'T PAY HIGHER INSURANCE PREMIUMS TO BAIL OUT UTILITY SHAREHOLDERS

Protect California Families. Hold Utilities Accountable.

Reject the Utility Shareholder Bailout.

[1] CPUC 2025 SB 695 Report, page 38 table 12 | [2] Estimated average annual premium increase | [3] Estimated average annual premium increase in fire-risk area | [4] PIFC member-company actuarial estimate

[5] 3/24/2025 CalMatters: New fire maps put nearly 4 million Californians in hazardous zones. What does that mean for the people who live there?

[6] 12/19/2019 Congressional Testimony, The Nature Conservancy's Dave Jones, Senior Director, Environmental Risk

[7] 7/17/2019 Report from Governor's Office of Planning and Research and Commission on Catastrophic Wildfire Cost and Recovery