

EXHIBIT #3
Summary of Significant 2018 California Legislation

SB 833-(McGuire)--- Emergency Alerts: Evacuation Orders: Operators -- Passed

The California Emergency Services Act establishes the Office of Emergency Services (OES) in the office of the Governor and provides that OES is responsible for the state's emergency and disaster response services for natural, technological, or manmade disasters and emergencies. The act also provides for systems for the public dissemination of alerts regarding missing children, attacks upon law enforcement officers, and missing persons who are 65 years of age or older, among others, and requires the Department of the California Highway Patrol to activate these systems and issue alerts upon the request of a law enforcement agency if certain conditions are met.

This bill, on or before July 1, 2019, will require OES, in consultation with specified entities, to develop voluntary guidelines for alerting and warning the public of an emergency. The bill would require OES to provide each city, county, and city and county with a copy of the guidelines.

This bill will authorize OES to impose conditions upon application for voluntary grant funding that it administers requiring operation of alert and warning activities consistent with the guidelines. The bill will also require OES, within 6 months of making the statewide guidelines available and at least annually thereafter and through its California Specialized Training Institute, to develop an alert and warning training, as specified. This bill will authorize OES to adopt emergency regulations for these purposes, as specified.

SB 822-(Weiner)--- Net Neutrality -- Passed

SB822 establishes net neutrality requirements by prohibiting internet service providers (ISPs) from interfering with consumers' ability to lawfully access internet content. Actions such as intentionally blocking content, speeding up or slowing down traffic, engaging in paid-prioritization, requiring consideration from edge providers to access an ISP's end users, and selectively zero-rating content will be strictly prohibited.

AB 1999-(Chau)---Local Government: Public Broadband Networks -- Passed

This bill will expressly authorize a county service area to acquire, construct, improve, maintain, and operate broadband Internet access services, and would require a county service area that does so to take certain actions regarding the accessing of content on the Internet by end users of that service,

This bill will, except as provided, prohibit a local agency that is authorized to engage in the provision of broadband Internet access service, as defined, in the state from taking certain actions regarding the accessing of content on the Internet by end users.

This bill will authorize an infrastructure financing district that finances public capital facilities or projects that include broadband to transfer the management and operation

of any broadband facilities that were financed to a local agency that is authorized to provide broadband Internet access service, and would require any local agency that receives those facilities to take certain actions regarding the accessing of content on the Internet by end users of that service, as described above.

This bill will additionally authorize a district to finance capital facilities or projects of communitywide significance to acquire, construct, or improve broadband Internet access services. This bill would authorize a district that acquires, constructs, or improves broadband Internet access service to transfer the management and control of those services to a local agency that is authorized to provide broadband Internet access services, and would prohibit any local agency that receives management and control of those services from taking certain actions regarding the accessing of content on the Internet by end users of that service, as described above.

This bill will broaden that authorization by removing the requirement that a district first determine that a private person or entity is unwilling or unable to provide broadband services before the district may contract, own, improve, and operate broadband facilities and provide broadband services. The bill would authorize a district to transfer title to the broadband facilities so constructed, or to lease the operation of those facilities, to a private entity that the district determines is ready, willing, and able to provide those services at a comparable cost and quality of service to what is provided by the district.

SB 901—(Dodd)---Wildfires and Funding -- Passed

SB 901 will allow the state's investor-owned utilities to issue cost-recovery bonds, to be repaid by charges on customers' electric bills, with the approval of the Public Utilities Commission.

Proponents argued it was a way to keep Pacific Gas and Electric and other utilities solvent at a time when wildfires are larger, more intense and far more costly than in prior years. Climate change is often blamed for the more deadly and destructive fires.

Critics called it a giveaway to utilities that, through their own negligence, allowed power lines to ignite trees and brush that are tinder dry from years of drought.

The rewritten measure maintains the state's strict liability standard and requires the PUC to determine the reasonableness of a utility's fire safety practices in deciding whether costs can be passed on to ratepayers.

SB 901 will also require utilities to adopt wildfire mitigation plans and would create a commission to examine catastrophic wildfires associated with utility infrastructure. It would levy fines on utilities that fail to adhere to their fire-prevention plans.

As a result, utilities that once supported the measure turned against it, while insurers, plaintiffs' attorneys and local governments switched their opposition to support.

The bill's 100-plus pages also ease rules for tree cutting and address the disposal of the massive amounts of dead wood and brush that fuel wildfires. It would spend \$1 billion over five years on fire prevention.

The bill also includes a “stress test” that instructs the PUC to “consider [an] electrical corporation’s financial status and determine the maximum amount the corporation can pay without harming ratepayers or materially impacting its ability to provide adequate and safe service.”

The provision applies only to last year’s wildfires, including the highly destructive blazes of October 2017 that killed dozens of residents and leveled thousands of homes in Napa and Sonoma counties. A large part of the city of Santa Rosa burned in the wind-whipped flames.

The PUC would apply the stress test “to extract the maximum amount possible” from PG&E’s investors, Dodd said. Letting PG&E slip into bankruptcy would result in customers paying higher rates and would compromise the state’s efforts to reduce greenhouse gasses and to tap into greater amounts of renewable energy, he said.

AB 2910-(Wood)--- Communications Restoration After Natural Disaster -- Held

This bill was held in the Senate Energy, Utilities and Communications Committee and did not move forward this year. The California wildfires in late 2017 destroyed or damaged many communications networks. This bill would have required the California Public Utilities Commission to collect information from telecommunications service providers relating to the provider’s efforts and resources used to restore telecommunications service outages caused by, and to repair or replace related network infrastructure or facilities that were damaged as a result of a state emergency or natural disaster.