

**FEBRUARY 1, 2019**

For more information,  
contact:

Sarah R. Borders  
+1 404 572 3596  
[sborders@kslaw.com](mailto:sborders@kslaw.com)

Jeffrey R. Dutson  
+1 404 572 2803  
[jdutson@kslaw.com](mailto:jdutson@kslaw.com)

Britney Baker  
+1 404 572 2773  
[bbaker@kslaw.com](mailto:bbaker@kslaw.com)

---

**King & Spalding**

Atlanta  
1180 Peachtree Street, NE  
Atlanta, Georgia 30309-3521  
Tel: +1 404 572 4600

## Nine Things to Watch For in the PG&E Bankruptcy

---

On January 29th, PG&E Corporation and its regulated utility subsidiary, Pacific Gas and Electricity Company (collectively, "PG&E"), commenced bankruptcy cases in the Bankruptcy Court for the Northern District of California. Here are nine things to watch for in the PG&E bankruptcy.

- 1. REPLACE THE BOARD?** In the wake of PG&E's announcement to file bankruptcy, certain equity holders are pushing to replace the board of directors at the upcoming annual shareholder meeting.
- 2. POST-PETITION WILDFIRES?** Claims arising from wildfires occurring after bankruptcy (and the treatment of those claims) may have a material impact on the direction of the case.
- 3. JURISDICTION FOR PPA REJECTION?** PG&E has commenced an adversary proceeding seeking a determination that only the bankruptcy court has jurisdiction over the rejection of power purchase agreements, rejecting FERC's position that it has a seat at the table.
- 4. WITHDRAW THE REFERENCE?** There are a variety of grounds on which the district court could withdraw the reference, including the pending criminal proceedings against PG&E.
- 5. DIP FINANCING.** PG&E seeks \$5.5 billion in secured DIP financing.
- 6. WHICH PARTIES WILL DRIVE THE CASE?** PG&E's bankruptcy involves various political and regulatory players, in addition to the typical parties in interest.
- 7. MULTIPLE OFFICIAL COMMITTEES?** Certain constituencies (including equity holders) will likely seek the appointment of various official committees.
- 8. IMPACT ON CRIMINAL PROCEEDINGS?** PG&E faces ongoing investigations by regulators and lawmakers into its management, safety practices, and potential violations of the utility's probation agreement.
- 9. HOW EXPENSIVE WILL THIS BE?** PG&E's bankruptcy will come at a high cost. In its prior bankruptcy, the company incurred nearly \$400 million in legal fees, financing expenses and other costs.



---

**ABOUT KING & SPALDING**

Celebrating more than 130 years of service, King & Spalding is an international law firm that represents a broad array of clients, including half of the Fortune Global 100, with 1,000 lawyers in 20 offices in the United States, Europe, the Middle East and Asia. The firm has handled matters in over 160 countries on six continents and is consistently recognized for the results it obtains, uncompromising commitment to quality, and dedication to understanding the business and culture of its clients.

This alert provides a general summary of recent legal developments. It is not intended to be and should not be relied upon as legal advice. In some jurisdictions, this may be considered "Attorney Advertising."

ABU DHABI	CHICAGO	HOUSTON	NEW YORK	SILICON VALLEY
ATLANTA	DUBAI	LONDON	PARIS	SINGAPORE
AUSTIN	FRANKFURT	LOS ANGELES	RIYADH	TOKYO
CHARLOTTE	GENEVA	MOSCOW	SAN FRANCISCO	WASHINGTON, D.C.

---