

Abstract Submission

Responding to Natural Catastrophes – New Models and Approaches

Submitted by:

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Title:

“Fix What You Broke”: Survivor-Led Solutions for Utility Accountability and Housing Stability Under the Wildfire Fund

Public-Policy Problem

Ten months after the Eaton Fire, eight in ten families remain displaced. Most will exhaust insurance coverage within months, triggering mass homelessness and mental-health collapse. This humanitarian crisis exposes a structural flaw in the existing Wildfire Fund model: **utilities enjoy guaranteed liquidity and ratepayer-backed protection, while victims lack access to basic housing and recovery funds.**

By statute, the California Catastrophe Response Council must route Wildfire Fund dollars through utilities before they reach survivors—creating a fatal **cash-flow gap**. Edison controls settlement timing, so even when public funds exist, families wait. Survivors are being coerced into early, under-valued settlements simply to keep roofs overhead. This violates fundamental fairness and the state’s duty to equitably socialize climate-driven risk.

Findings from the Eaton Fire

EFSN’s [Fix What You Broke](#) (Oct 2025) and [Urgent Housing Relief Plan](#) (Oct 29 2025) document that:

- 80 % of families are still displaced;
- Average housing shortfall $\approx$ \$200 K per household;
- Edison’s draft plan caps rent aid at 10 % of pre-fire value—half of current rents;

- Victims must sign legal waivers to receive “fast-pay” aid;
- The company deducts unpaid insurance as if paid, turning private insurance into a corporate discount.

Meanwhile this week, Edison reported **\$832 M in quarterly profit** and holds **\$4 B in credit capacity**, strengthened by SB 254’s new \$18 B continuation account. Ratepayers have already stabilized the company’s balance sheet. Survivors, whose homes the company destroyed, remain unhoused.

Proposed Solution: Front Urgent Housing Relief Now

Utilities participating in the Wildfire Fund should be **required to advance immediate, waiver-free housing relief** to keep survivors safely sheltered until permanent settlements arrive.

EFSN proposes a scalable model:

- **Up to \$200 K per household** (\$150 K forward-looking + \$50 K reimbursement) for 12 K Eaton-Fire households ≈ \$2.4 B total;
- **No legal waivers**; direct payment to survivors;
- **Reconciliation** through the Wildfire Fund once settlements finalize;
- **Administration** by an independent nonprofit (e.g., California Community Foundation) with audit transparency.

Urgent housing relief must be fully separate from legal settlements. When housing and compensation are tied together, families are forced into impossible choices — sign away legal rights or sleep in their cars. Public policy and contract law dictate that basic housing support must not be contingent on any legal waiver or settlement agreement, and that no agreement signed under duress can be considered valid.

With Edison’s final compensation plan launched this week, we are already seeing that only the most desperate and vulnerable survivors are signing under these conditions. To protect the integrity of the settlement process, immediate, unconditional housing aid must come first, so survivors can remain safely housed and exercise their legal rights without coercion.

This is not a new idea. Both PG&E and SDG&E implemented separate, waiver-free housing and community recovery funds following their fire disasters. These programs demonstrated that humanitarian housing support can and must be administered independently from compensatory legal claims. They provided immediate relief while preserving survivors’ due process rights—a model California should now require under the Wildfire Fund.

Broader Policy Implications (PUC §917 Alignment)

Statutory Topic (§917)	EFSN Recommendation
(1) Insurance accessibility	Prohibit offsets that deduct unpaid insurance; require full coordination between insurers & utilities.
(2) Socializing risk	Establish <i>Survivors-First</i> payout sequencing — utilities must pay individuals before institutional subrogation.
(3),(9) Mitigation & resilience	Fund full toxic-remediation and community-restoration programs (schools, parks, small biz) via Wildfire Fund extensions.
(4) Financing recovery	Authorize pre-settlement survivor advances financed by utility credit and reimbursed through the Fund.
(5) Ratepayer protection	Front-loading relief prevents deeper social costs and litigation, ultimately lowering Fund and ratepayer exposure.
(6),(7) Compensation mechanism	Reject caps on economic / non-economic damages; preserve attorney-fee recovery and future-health claims.
(10) New models	Evolve the Fund into a California Climate Recovery Safety Net that couples utility accountability with survivor-direct cash-flow mechanisms.

Conclusion

California built the Wildfire Fund to prevent another PG&E-style bankruptcy. The next reform must prevent another *human* bankruptcy—families losing homes, savings, and faith in fairness.

A just successor model will:

1. “Fix what you broke,” covering all losses, not just those already covered by insurance.
2. Include everyone harmed, including renters and smoke-damage victims.
3. Keep families safely housed until they can return home.

Fronting urgent housing relief is not charity—it is basic accountability. California ratepayers already secured utilities’ solvency; now the company and the state must secure survivors’ housing and financial stability..

For more information, please see:

- [**Fix What You Broke: Survivors’ Recommendations for a Fair and Full Edison Recovery Program**](#) (EFSN, Oct 9, 2025)
- [**How Edison Can Launch Urgent Housing Relief to Keep Families Housed**](#) (EFSN, Oct 30, 2025)