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California Public Utilities Commission
Attn: Caroline Thomas Jacobs, Director
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Sent Via Email (wildfiresafetydivision@cpuc.ca.gov)

Re: The Protect Our Communities Foundation's Comments on San Diego Gas & Electric Company's Remedial Compliance Plan

To Whom It May Concern:

The Protect Our Communities Foundation (PCF) provides these comments on San Diego Gas & Electric Company's (SDG&E) Remedial Compliance Plan (RCP). As set forth below, the RCP SDG&E submitted fails to address the Commission-identified problems with SDG&E's 2020 WMP and reflects SDG&E's failure to make a good faith effort to meet the conditions of approval of its WMP. SDG&E's RCP violates the Commission's direct orders and should result in the rejection of SDG&E's 2020 WMP. SDG&E continues its recalcitrant stance, as its RCP clearly details SDG&E's plan to continue its deficient approach to both risk assessment and vegetation management rather than remedy the deficiencies that the Commission ordered SDG&E to remedy. In addition to failing to present the information the Commission ordered SDG&E to provide which was missing from its 2019 WMP and its 2020 WMP, SDG&E's RCP admits that SDG&E has violated the Commission's direct orders regarding vegetation management.

I. THE RCP FAILS TO REMEDY THE DEFICIENCIES THE COMMISSION HAS REPEATEDLY IDENTIFIED AND ORDERED SDG&E TO ADDRESS.

In Resolutions WSD-002 and WSD-005, the Commission determined SDG&E's 2020 WMP remains substantively and significantly deficient. The Commission decided that unless SDG&E remedies the numerous identified deficiencies, SDG&E's WMP cannot be considered to be "deemed in compliance with Public Utilities Code Section 8386."¹

¹ Resolution WSD-002, *Guidance Resolution on 2020 Wildfire Mitigation Plans Pursuant to Public Utilities Code Section 8386* (June 11, 2020), p. 44-45 (OP 6) ("...San Diego Gas & Electric Company... shall comply with the Guidance Conditions set forth in Appendix A to this Resolution in order for its Wildfire Mitigation Plan to be deemed in compliance with Public Utilities Code Section 8386 and the Wildfire Safety Division's Wildfire Mitigation Plan Guidelines...").

The Commission identified three classes of deficiencies; and, depending on the deficiency, ordered the utilities to remedy those deficiencies by submitting an RCP within 45 days, quarterly reports starting in 90 days, or by providing additional detail and information in its 2021 WMP update.²

The Commission issued Resolution WSD-002, a Guidance Resolution applicable to all of the utilities,³ as well as individual resolutions on each utility's 2020 WMP which identified additional deficiencies. All of the deficiencies in both the Guidance Resolution and in the utility-specific resolutions must be remedied before any utility's WMP can be deemed approved.⁴ These comments, however, address only SDG&E's RCP - which was required to address the deficiencies identified by the Commission as Class A deficiencies.⁵

The Commission described Class A deficiencies as "of the highest concern."⁶ To resolve identified Class A deficiencies, an "RCP must present all missing information and/or articulate the electrical corporation's plan, including proposed timeline, to bring the electrical corporation's WMP into compliance."⁷

² Resolution WSD-002, p. 45-46 (OP 7, 8, 9) ("For Class A deficiencies, ...San Diego Gas & Electric Company...must submit Remedial Compliance Plans (RCP) to the Director of the Wildfire Safety Division within 45 days of Commission ratification of the Wildfire Mitigation Plan Resolutions. An RCP must present all missing information and/or articulate the electrical corporation's plan, including proposed timeline, to bring the electrical corporation's WMP into compliance...For Class B deficiencies, ...San Diego Gas & Electric Company...must submit quarterly reports to the Director of the Wildfire Safety Division. Information requested in the quarterly reports shall be submitted either one time in the first quarterly report or on an ongoing basis as specified by each condition...The first quarterly report must be submitted 90 days after the Commission ratifies the Wildfire Mitigation Plan Resolutions, and every three months thereafter. In some cases, individual Resolutions impose other additional reporting requirements, and the Resolutions contain relevant detail for those reports with which named electrical corporations must comply...For Class C deficiencies, ...San Diego Gas & Electric Company...must submit additional detail and information or otherwise come into compliance in its 2021 annual Wildfire Mitigation Plan update.").

³ The exception is Horizon West Transmission, LLC and Trans Bay Cable, LLC, to which these comments do not refer. See Resolution WSD-002, p. 19.

⁴ See e.g. Resolution WSD-005, *Resolution Ratifying Action of the Wildfire Safety Division on San Diego Gas & Electric Company's 2020 Wildfire Mitigation Plan Pursuant to Public Utilities Code Section 8386* (June 11, 2020), p. 53-54 (OP 1, 2) ("Ratification of the Wildfire Safety Division's approval of San Diego Gas & Electric Company's Wildfire Mitigation Plan is subject to conditions set forth in Appendix A." "The Wildfire Safety Division's approval of San Diego Gas & Electric Company's (SDG&E) 2020 Wildfire Mitigation Plan, conditioned upon SDG&E's compliance with the conditions listed in Appendix A, is hereby ratified.")

⁵ *Ibid.*; Resolution WSD-002, p. 17, 45-46.

⁶ Resolution WSD-002, p. 17.

⁷ Resolution WSD-002, p. 17-18.

SDG&E's 2020 WMP contains two Class A deficiencies: (1) Guidance-3, labeled "Lack of risk modeling to inform decision-making,"⁸ and (2) SDGE-13, labeled "Lack of risk reduction or other supporting data for increased time-of-trim clearances."⁹ Despite the seriousness of the failures described in Guidance-3 and SDGE-13, SDG&E spends less than three pages purporting to address Guidance-3 and less than one page purporting to address SDGE-13.

As set forth below, SDG&E fails to comply with the Commission's mandate to provide the information missing from its 2019 WMP and its 2020 WMP; and admits that it has violated the Commission's direct orders. Accordingly, pursuant to the terms and conditions of approval issued in Resolutions WSD-002 and WSD-005, SDG&E's 2020 WMP cannot be approved.¹⁰

II. SDG&E FAILED TO ADDRESS THE RISK-RELATED DEFICIENCIES THE COMMISSION HAS REPEATEDLY IDENTIFIED AND ORDERED SDG&E TO COMPLY WITH.

Guidance-3 calls out the utilities' failure to include sufficient detail in their 2020 WMPs to demonstrate how their risk modeling informs decision-making.¹¹ In order to remedy the utilities' fundamental "[f]ailure to analyze each WMP initiative to determine whether it is an effective use of resources,"¹² the Commission required each utility to demonstrate in an RCP how risk assessment will be applied to each proposed activity in the utility's WMP:

Each electrical corporation shall submit in its remedial correction plan (RCP) the following:

- i. how it intends to apply risk modeling and risk assessment techniques to each initiative in its WMP, with an emphasis on much more targeted use of asset management, vegetation management, grid hardening and PSPS based on wildfire risk modeling outputs;

⁸ Resolution WSD-002 Appendix A, p. A3.

⁹ Resolution WSD-005 Appendix A, p. A9.

¹⁰ Resolution WSD-002, p. 17.

¹¹ Resolution WSD-002 Appendix A, p. A3 (Deficiency: "Electrical corporations do not provide sufficient detail in their 2020 WMPs to demonstrate how they are leveraging risk models to target the highest risk portions of the grid. While most utilities indicate current progress and work on developing models to estimate risk across their service territories, there is a lack of focus on how these models can be used in practice to prioritize initiatives to address specific ignition drivers and geographies. Specifically, utilities fail to outline in detail how they determine where to prioritize to improve asset management or determine portions of circuits that would benefit the most from hardening and vegetation management. By continuing to improve wildfire risk modeling and basing its wildfire mitigations on its wildfire risk modeling outputs, electrical corporations can potentially achieve a greater level of risk reduction with the same resources.").

¹² Resolution WSD-002, p. 19.

- ii. identify all wildfire risk analyses it currently performs (including probability and consequence modeling) to determine which mitigation is targeted to circuits and assets where initiatives will provide the greatest benefit to wildfire risk reduction;
- iii. a timeline to leverage its risk modeling outputs to prioritize and target initiatives and set PSPS thresholds, including at least asset management, grid operations, vegetation management, and system hardening initiatives;
- iv. how it intends to incorporate future improvements in risk modeling into initiative prioritization and targeting processes; and
- v. how it intends to adapt its approach based on learnings going forward.¹³

Thus, SDG&E’s RCP must remedy SDG&E’s fundamental failure to cost-effectively maximize wildfire risk reduction as required by the Commission’s risk-based decision-making framework which the California Legislature expressly incorporated into the wildfire mitigation statutes.¹⁴ However, SDG&E’s RCP fails to provide the information and analysis that the Commission required and that the Legislature has mandated.

A. SDG&E Has a Long History of Failing to Comply with the Commission’s Risk-Based Decision-Making Framework Decisions.

SDG&E has repeatedly failed to include in its WMP “all relevant wildfire risk and risk mitigation information” required by the S-MAP and RAMP decisions,¹⁵ including D.14-12-025, D.16-08-018, and D.18-12-014. The Commission issued D.14-12-025 in R.13-11-006, in which the Commission adopted “a risk-based decision-making framework, consisting of the Safety Model Assessment Proceeding [S-MAP], the Risk Assessment and Mitigation Phase [RAMP] proceeding, and the filing of annual verification reports consisting of the Risk Mitigation Accountability Report and the Risk Spending Accountability Report.”¹⁶

D.14-12-025 required the utilities to file comprehensive¹⁷ RAMP submissions containing the following information:

¹³ Resolution WSD-002 Appendix A, p. A3.

¹⁴ Pub. Util. Code, § 8386, subd. (c); D.19-05-036, *Guidance Decision on 2019 Wildfire Mitigation Plans Submitted Pursuant to Senate Bill 901* (May 30, 2019), p. 28-29, Appendix A, p. A2.

¹⁵ Pub. Util. Code, § 8386, subd. (c)(11).

¹⁶ D.14-12-025, *Decision Incorporating a Risk-Based Decision-Making Framework into the Rate Case Plan and Modifying Appendix A of Decision 07-07-004* (December 4, 2014), p. 54-55 (OP 1).

¹⁷ D.14-12-025 at 39-40 (Limiting the utility’s RAMP submission to just 10 asset categories may prevent the Commission and interested parties from having a comprehensive view of the utilities potential safety risks, and its plans for addressing those risks. Since the RAMP will provide the first opportunity for parties to see how the utility prioritizes safety in terms of its assets and operations, the RAMP should not be limited to a maximum of 10 asset categories. Accordingly, the utility’s RAMP submission shall include all of its risk assessments and mitigation plans.”).

- The utility’s prioritization of the risks it believes it is facing and a description of the methodology used to determine these risks...
- A description of the controls currently in place, as well as the “baseline” costs associated with the current controls.
- The utility’s prioritization of risk mitigation alternatives, in light of estimated mitigation costs in relation to risk mitigation benefits (Risk Mitigated to Cost Ratio).
- The utility’s risk mitigation plan, including an explanation of how the plan takes into account: Utility financial constraints; Execution Feasibility; Affordability Impacts; Any other constraints identified by the utility.
- For comparison purposes, at least two other alternative mitigation plans the utility considered and an explanation of why the utility views these plans as inferior to the proposed plan.¹⁸

D.14-12-025 also required at least two S-MAP proceedings for the large energy utilities, so that the Commission and the parties could “explore and analyze each energy utility’s approach to prioritize the risk to safety associated with each utility’s system and services, and the tools or activities that the energy utilities use to manage, mitigate, and minimize those safety risks.”¹⁹

D.16-08-018, the first decision the Commission issued in the first S-MAP proceeding, highlighted the importance of a cost effectiveness analysis and clarified that calculating risk reduction per dollar “is required by D.14-12-025 and is necessary information for balancing safety with reasonable rates and holding utilities accountable for safety spending,” found that “[p]rioritizing based on cost-effectiveness measures is an important improvement to rate cases and an important step to optimizing portfolios,” concluded that the “utilities’ RAMP filings should include calculations of risk reduction and a ranking of mitigations based on risk reduction per dollar spent,” and ordered that RAMP filings “shall explicitly include calculation of risk reduction and a ranking of mitigations based on risk reduction per dollar spent.”²⁰ D.16-08-018 also concluded that “[p]rioritizing the reduction of safety risks should be geared towards safety risk, and should not include financial interests” and directed the utilities “to remove shareholders’ financial interests from consideration in their risk models and decision frameworks used to support case expenditure proposals, especially at the operational level, unless the utility can make a good case for an exception in its” RAMP filing.²¹

¹⁸ D.14-12-025, p. 32.

¹⁹ D.14-12-025, p. 25, 27.

²⁰ D.16-08-018, *Interim Decision Adopting the Multi-Attribute Approach (Or Utility Equivalent Features) and Directing Utilities to Take Steps Toward a More Uniform Risk Management Framework* (August 18, 2016), p. 187 (Finding of Fact 81, 82), p. 192 (Conclusion of Law 30), p. 196 (OP 8).

²¹ D.16-08-018, p. 195-196 (OP 7); *see also id.* at 192-193 (Conclusion of Law 36, 37).

Later in the S-MAP proceeding, in D.18-12-014, the Commission adopted a settlement agreement between all of the large utilities, the Public Advocates Office, and several intervenors, which expanded on the requirements of D.14-12-025 and D.16-08-018.²² Among other things, D.18-12-014 mandates that (1) the utilities “clearly and transparently explain its rationale for selecting mitigations for each risk and for its selection of its overall portfolio of mitigations;” (2) that “[i]nputs and computations...should be clearly stated and defined” and “the sources of inputs should be clearly specified;” (3) that the utilities “use utility specific data” in identifying potential consequences of and frequency of a risk event; (4) that the utilities measure risk reduction provided by a risk mitigation; and (5) that the utilities calculate risk spend efficiency (RSE) “by dividing the mitigation risk reduction benefit by the mitigation cost estimate.”²³ Additionally, D.18-12-014 limits reliance on subject matter experts (SMEs) to situations where utility-specific data is unavailable; and, when SMEs must be used, requires the utilities to describe the process, assumptions, and information utilized.²⁴ As the Commission has explained, the settlement agreement approved in D.18-12-014 “provided a more robust and stronger version of the ten recommended RAMP components than was first introduced in D.16-08-018,” including the requirement “that risk spend efficiency [RSE] calculations for risk mitigations are independent of RAMP risk selection.”²⁵

In SB 901, the California Legislature expressly incorporated the Commission’s risk-based decision-making framework which the California Legislature into the wildfire mitigation statutes.²⁶ Last year, after reviewing the utilities’ 2019 WMPs, the Commission in D.19-05-036 described the utilities’ risk assessments as a “black box with insufficient description of the supporting information and rationale for proposed programs.”²⁷ Acknowledging that a “‘trust us, we know what we are doing’ approach to risk assessment is not appropriate given recent wildfire activity,”²⁸ the Commission ordered the utilities in their 2020 WMPs to comply with Section 8386’s mandate that WMPs must “include all relevant wildfire risk and risk mitigation information” required by the Commission’s S-MAP and RAMP decisions, including the Risk-Spend Efficiency analysis required by D.18-12-014.²⁹

²² D.18-12-014, *Phase Two Decision Adopting Safety Model Assessment Proceedings (S-MAP) Settlement Agreement with Modifications* (December 13, 2018), Attachment A, p. A-3 (defining Settling Parties).

²³ D.18-12-014, Attachment A, p. A-8, A-12, A-13, A-14, A-17.

²⁴ D.18-12-014, Attachment A, p. A-8, A-17, A-18.

²⁵ I.19-11-010/011, Order Instituting Investigation into the Risk Assessment and Mitigation Phase Submission of San Diego Gas & Electric Company (November 7, 2019), p. 3-4.

²⁶ Pub. Util. Code, § 8386, subd. (c); D.19-05-036, p. 28-29, Appendix A, p. A2.

²⁷ D.19-05-036, p. 29, fn. 42.

²⁸ D.19-05-036, p. 29, fn. 42.

²⁹ D.19-05-036, p. 28-29 (“The WMP statute refers to the Commission’s safety-oriented processes carried out during GRCs.[] We interpret the inclusion of those processes to reflect a desire to ensure the safety work in GRCs is incorporated into WMPs. We agree that both processes are important to a consideration of the adequacy of utility safety efforts. Our recent decision in the S-MAP/GRC context adopted an approach that prioritizes actions based on their ‘Risk-Spend Efficiency.’ The approach uses a tool called Multi-Attribute Value Function (MAVF) that provides a single value to measure the combined effects of each mitigation measure on a certain risk event. The process involves performing risk assessments and

The Commission expressly ordered SDG&E to comply in its 2020 WMP with the Commission's S-MAP and RAMP decisions:

San Diego Gas & Electric's 2020 Wildfire Mitigation Plan shall use the quantitative risk assessment framework adopted in Decision 18-12-014 in the Safety Model Assessment Proceeding to evaluate and compare the cost effectiveness of each of the mitigations that were under consideration in developing the Wildfire Mitigation Plan. The Wildfire Mitigation Plan shall provide the risk spend efficiency results of the quantitative risk analysis and include an explanation of the Multi-Attribute Variable Framework used and how it was constructed.³⁰

AB 1054, which became effective after the Commission's decisions on the utilities' 2019 WMPs, did not change the requirement that the utilities' WMPs must adhere to the S-MAP and RAMP decisions.³¹ Thus, SDG&E remains statutorily-required to engage in the necessary cost-effectiveness analysis, including providing RSEs, and otherwise comply with D.18-12-014.³²

As the Commission correctly concluded, however, SDG&E failed to comply with the Commission's orders: the Commission again determined that the utilities' 2020 WMPs continue to fail to assess and analyze risk properly, and made express findings which establish that SDG&E failed to comply with the Commission's direct order contained in D.19-05-039.³³

ranking risks using safety, reliability, and other attributes. This approach provides a means to compare the programs against each other for effectiveness, especially when multiple overlapping programs are proposed for the same assets and intended to mitigate the same risk event (i.e., increased vegetation clearing coupled with installing covered conductor and expanded de-energization practices). Including such analysis in the WMPs would provide the Commission a transparent and effective way to balance overlapping programs in the WMP and assess which programs are needed and effective. As stated above, the statute requires 'all relevant wildfire risk and risk mitigation information that is part of the Safety Model Assessment Proceeding and Risk Assessment Mitigation Phase filings.' This quantitative information is relevant, and the process of conducting these analyses may allow stakeholders to better understand the cost effectiveness of proposed mitigations.").

³⁰ D.19-05-039, *Decision on San Diego Gas & Electric Company's 2019 Wildfire Mitigation Plan Pursuant to Senate Bill 901* (May 30, 2019), p. 23-24, p. 31 (OP 12).

³¹ Pub. Util. Code, § 8386, subd. (c)(11).

³² D.19-05-039, p. 31 (OP 12).

³³ Resolution WSD-002, p. 19-30, Appendix A, p. A1 ("2020 WMP submissions contain sparse and sporadic detail regarding the RSE of WMP initiatives. RSE calculations are critical for determining whether utilities are effectively allocating resources to initiatives that provide the greatest risk reduction benefits per dollar spent, thus ensuring responsible use of ratepayer funds. Although RSE concepts have been considered for several years through Commission GRCs, utilities still display unrefined and limited abilities to produce such information. Considering that utilities propose to spend billions of dollars on WMP initiatives, not having quantifiable information on how those initiatives reduce utility ignition risk relative to their cost severely limits the WSD's ability to evaluate the efficacy of such initiatives and each utility's portfolio of initiatives, as outlined in 2020 WMPs."); Appendix A, p. A1-A3, A5-A10;

The Commission correctly concluded SDG&E’s 2020 WMP continues to fail to provide the requisite analysis of risk reduction per dollar spent, and continues to fail to provide sufficient details so as to clearly and transparently reveal the reasons for selecting mitigation activities and the effectiveness of those activities.³⁴

B. SDG&E’s RCP Fails to Address the Deficiencies the Commission Identified and Required SDG&E to Remedy.

SDG&E’s RCP spends less than three pages purporting to address the Commission’s fundamental concerns with SDG&E’s WMP.³⁵ Far from addressing the fundamental deficiencies in SDG&E’s approach which have now been repeatedly identified by the Commission, SDG&E explains that it plans to continue its deficient approach.³⁶

SDG&E’s continues to fail to provide a transparent description explaining how it intends to apply risk assessment techniques to each WMP initiative,³⁷ instead referring to yet another “black box” modeling program³⁸ and provides no detail in its RCP about the various initiatives in its WMP at all.

Resolution WSD-005, p. 11-12 (“1) *Risk modeling and decision-making*. San Diego Gas and Electric Company’s (SDG&E) WMP does not adequately address how SDG&E factors its modeling into decision-making, and whether and how it updates its models based on lessons learned. 2) *Situational awareness and forecasting*. SDG&E’s WMP does not adequately address how it utilizes its Fire Potential Index (FPI), or whether it has fully explored early fault detection measures. 3) *Grid design and system hardening*. SDG&E’s WMP does not adequately identify or describe the details of its more costly planned investments, or of its decision-making process with respect to its various planned initiatives. 4) *Asset management and inspections*. SDG&E’s WMP does not adequately describe the details of its risk assessment process, or whether and how it considers alternatives to identified risk reduction initiatives. 5) *Vegetation management*. SDG&E’s WMP lacks details with which to evaluate its vegetation management practices, in particular whether and how its “enhanced” vegetation management practices provide incremental risk reduction benefits. 6) *Public Safety Power Shutoff (PSPS)*. SDG&E’s WMP does not adequately describe SDG&E’s current PSPS protocols. 7) *Resource allocation*. SDG&E’s WMP does not adequately address the details of its resource allocation process. In particular, the WMP lacks details regarding whether and how specific mitigations or initiatives reduce the need to resort to a PSPS event.”).

³⁴ Resolution WSD-002, p. 20 (“Although RSE concepts have been considered for several years through Commission GRCs, utilities still display unrefined and limited abilities to produce such information. Considering that utilities propose to spend billions of dollars on WMP initiatives, not having quantifiable information on how those initiatives reduce utility ignition risk relative to their cost severely limits the WSD’s ability to evaluate the efficacy of such initiatives and each utility’s portfolio of initiatives, as outlined in 2020 WMPs.”); Resolution WSD-005, p. 11-12, 23-25, 33, 37-38, 43-44, 46, 49.

³⁵ San Diego Gas & Electric Company’s 2020 Wildfire Mitigation Plan Remedial Compliance Plan (June 27, 2020) (RCP), p. 2-4.

³⁶ See e.g. RCP, p. 2 (SDG&E planning to “build on the Risk Spend Efficiency (RSE) methodology demonstrated in RAMP and the WMP”).

³⁷ Resolution WSD-002 Appendix A, p. A3, Condition i.

³⁸ RCP, p. 2 (referring to the WiNGS program).

Rather than provide *any* additional information regarding its current wildfire risk analysis,³⁹ SDG&E regurgitates with no detail activities already determined to be inadequately described in its 2020 WMP, including programs SDG&E’s deficient 2020 WMP itself conceded contained redundancies.⁴⁰

Moreover, in referring to its 2019 RAMP Report, SDG&E admits it has failed properly to prioritize wildfire risk reduction activities, reveals that it will fail to incorporate improvements into proper prioritization of wildfire risk reduction activities, and demonstrates its refusal to learn any lessons from repeated Commission directives.⁴¹ SDG&E’s grossly deficient 2020 WMP was based upon its 2019 RAMP Report.⁴² As PCF has explained in various proceedings, SDG&E’s 2019 RAMP Report fails to comply with the Commission’s mandates set forth in D.14-12-025, D.16-08-018, and D.18-12-014. The 2019 RAMP Report fails to remove shareholders’ financial interests from risk assessment decision-making; it fails to describe adequately the risks the utilities’ systems pose to the public; it fails to prioritize risk reduction measures based on cost-effectiveness; it fails to analyze appropriately how each mitigation measure might actually reduce risk; it fails to include the necessary RSEs; it fails to use available and informative utility-specific data; it fails to meet transparency requirements; and it fails to present adequate alternatives.⁴³

The 2019 RAMP report does not come close to meeting the requirements in D.18-12-014 that the utilities “clearly and transparently explain its rationale for selecting mitigations for each risk and for its selection of its overall portfolio of mitigations” and that the “methodologies used by the utility should be...logically sound.”⁴⁴ The transparency and logical soundness requirements approved in D.18-12-014 mandate that the utilities’ risk assessments be understandable, and the requirements direct the utilities to state clearly and define inputs and computations, and to specify sources of inputs and “all information and assumptions that are used to determine both pre- and post-mitigation risk scores.”⁴⁵

³⁹ Resolution WSD-002 Appendix A, p. A3, Condition ii.

⁴⁰ RCP, p. 2 (referring to WRRM and PRiME models without a transparent description); San Diego Gas & Electric Company’s 2020 Wildfire Mitigation Plan Rev. 1 (March 20, 2020), p. 73 (“SDG&E is consolidating its prior system hardening programs (e.g., FiRM, PRiME, and WiSE) into the Distribution Overhead Hardening program”).

⁴¹ Resolution WSD-002 Appendix A, p. A3, Conditions ii, iv, v.

⁴² Resolution WSD-005, p. 44 (“...in terms of risk assessment, SDG&E’s WMP simply refers to its RAMP...”).

⁴³ A.17-10-007/008, The Protect Our Communities Foundation Response to Joint Petition for Modification of D.19-09-051 of Southern California Gas Company and San Diego Gas & Electric Company (May 11, 2020), p. 25-50.

⁴⁴ D.18-12-014, Attachment A, p. A-14, A-17; A.17-10-007/008, The Protect Our Communities Foundation Response to Joint Petition for Modification of D.19-09-051 of Southern California Gas Company (U 904 G) and San Diego Gas & Electric Company (U 902 M) (May 11, 2020), p. 46-47.

⁴⁵ D.18-12-014, Attachment A, p. A-14, A-17.

In concluding that SDG&E’s 2020 WMP failed to include the necessary RSEs and otherwise meet the requirements of D.18-12-014 and its predecessors, the Commission necessarily determined the 2019 RAMP Report fails to meet the Commission’s minimum standards. For example, the Commission concluded that “SDG&E’s WMP does not adequately identify or describe the details of its more costly planned investments or its decision-making process with respect to its various planned initiatives,” and that “the WMP does not provide an adequate description of [prioritization methods and resource allocation processes] nor how specifically they led SDG&E to identify which measures to pursue, where to pursue them, and in what order to pursue them.”⁴⁶ The Commission found “there is a clear gap and absence of detail on the relationship between various hardening, vegetation management, and asset management initiatives and corresponding impacts on thresholds for imitating PSPS events,” and faulted SDG&E for failing to provide spending data for its resource allocation methodology.”⁴⁷

As PCF has explained in various proceedings, SDG&E did not even attempt to calculate RSEs for more than half of its risk reduction activities in the 2019 RAMP Report, claiming to calculate RSEs only for “all in-scope non-mandated activities, certain mandated Controls, and all Mitigations whether they were mandated or not.”⁴⁸ SDG&E failed to quantify a number of maintenance activities⁴⁹ including inspection activities – a cost-effective strategy for reducing wildfire risk.⁵⁰

SDG&E’s failure to calculate RSEs for all of its risk reduction activities violates D.18-12-014 and the terms of the settlement agreement approved therein to which SDG&E agreed. D.18-12-014 required that the utilities measure risk reduction provided by *all* risk mitigations,⁵¹ and that the utilities calculate RSE “by dividing the mitigation risk reduction benefit by the mitigation cost estimate.”⁵² SDG&E’s purported justifications for refusing to calculate RSEs for inspection activities, include that the costs “are embedded in internal labor” that programs are “mandated pursuant to GO 165,” or are “related to assets in the jurisdiction of the FERC.”⁵³

⁴⁶ Resolution WSD-005, p. 29-30.

⁴⁷ Resolution WSD-005, p. 43-44.

⁴⁸ 2019 RAMP Report: SDG&E D-9; *see also* I.19-11-010/011, The Protect Our Communities Foundation Reply in Support of its Proposal Regarding How This Proceeding Should Move Forward in Light of the Directives in D.20-01-002 and Comments on the Joint 2019 Risk Assessment and Mitigation Phase Report of Southern California Gas Company (U 904-G) and San Diego Gas & Electric Company (U 902-M) (April 6, 2020), p. 29.

⁴⁹ The Protect Our Communities Foundation Comments on the 2020 Wildfire Mitigation Plans Pursuant to Resolution WSD-001 (April 7, 2020), p. 15, available at <ftp://ftp.cpuc.ca.gov/WMP/PublicComments/POC%20Comments%202020%20WMP.pdf>; *see also e.g.* 2019 RAMP Report: SDG&E 8-31, 8-32 (SDG&E failing to quantify pipeline maintenance as a risk reduction mechanism).

⁵⁰ 2019 RAMP Report: SDG&E 1-88, 1-89.

⁵¹ D.18-12-014, Attachment A, p. A-12.

⁵² D.18-12-014, Attachment A, p. A-13.

⁵³ 2019 RAMP Report: SDG&E 1-21, fn. 35 (“Costs were not identified for this activity because they are embedded in internal labor. A Risk Spend Efficiency calculation is therefore not being performed.”),

SDG&E's inapposite arguments fail to justify SDG&E's failure to comply with the Commission's repeated directives to assess risk reduction strategies based on the cost-effectiveness of each activity. SDG&E's failure to calculate RSEs in its 2019 RAMP Report for all of its risk reduction activities provides a distorted view of the company's risk assessments and strategies and fails to provide the comprehensive analysis repeatedly required by the Commission.⁵⁴ SDG&E's failure to even attempt to quantify risk reduction per dollar spent for the majority of its risk reduction activities means, as the Commission has previously recognized, that "no meaningful ranking, prioritization or optimization of risk mitigations is possible, and the Commission's goals and processes set forth in D.14-12-025 are compromised."⁵⁵

Additionally, SDG&E's continued focus on capital programs evidences SDG&E's continued failure to "to remove shareholders' financial interests from consideration in their risk models and decision frameworks used to support rate case expenditure proposals, especially at the operational level, unless the utility can make a good case for an exception in its Risk Assessment Mitigation Phase filing" as required by D.16-08-018.⁵⁶

SDG&E's continued reliance on its 2019 RAMP Report in its RCP, despite the Commission's determinations regarding SDG&E's deficient approach to risk assessment, all but ensures that the Commission's safety and risk reduction mandates will not be achieved and certainly fails to address the conditions of approval set forth in WSD-002 and WSD-005.

III. SDG&E ADMITS TO VIOLATING THE COMMISSION'S ORDERS IN D.19-05-039 AND FAILS TO ADDRESS THE VEGETATION MANAGEMENT DEFICIENCIES IDENTIFIED BY THE COMMISSION IN BOTH 2019 AND 2020.

As set forth below, SDG&E's deficient vegetation management practices – which SDG&E fails to remedy in its RCP – confirms SDG&E failed to comply with the Commission's express orders in D.19-05-039 and demonstrates SDG&E's disregard of applicable legal authorities.

SDG&E 1-22 (field observations are included in SDG&E-1-C1-Operating Conditions category for which no RSEs are provided), SDG&E 1-87; SDG&E 1-90 ("Because this program is mandated pursuant to GO 165, an RSE calculation is not being performed."), SDG&E 1-91 ("Because this control is related to assets in the jurisdiction of the FERC, SDG&E is not including the associated costs from this activity in this Report...Accordingly, a Risk Spend Efficiency calculation is not being performed.").

⁵⁴ D.14-12-025, p. 39-40 (a utility's RAMP submission is required to provide a "comprehensive view of the utilities potential safety risks, and its plans for addressing those risks," and must "include all of [a utility's] risk assessments and mitigation plans")

⁵⁵ D.16-08-018, p. 182 (Finding of Fact 33: "Without quantifying risk reduction, no meaningful ranking, prioritization or optimization of risk mitigations is possible, and the Commission's goals and processes set forth in D.14-12-025 are compromised.").

⁵⁶ San Diego Gas & Electric Company Wildfire Mitigation Plan Rev 1 (March 2, 2020) p. 145 (citing to 2019 RAMP Report); D.16-08-018, p. 195-196 (OP 6).

The Class A deficiency identified in Resolution WSD-002 as SDG&E-13 calls out SDG&E's failure to comply with the Commission's express orders related to vegetation management as set forth in D.19-05-039.⁵⁷ In D.19-05-039 the Commission identified major problems with SDG&E's vegetation management practices and prohibited SDG&E from proceeding with any enhanced vegetation management unless it first demonstrated need and scientific support.⁵⁸ After reviewing SDG&E's 2020 WMP, the Commission properly determined that SDG&E failed to comply with the Commission's express orders in D.19-05-039 related to SDG&E's vegetation management practices.⁵⁹

In order to remedy SDG&E's failure to provide "detail proposed guidelines for where such a clearance is both feasible and necessary, or scientific evidence or other data showing that such clearance will reduce wildfire risk, as directed in our decision approving SDG&E's 2019 WMP," the Commission required SDG&E to provide that data in its RCP, and also to collaborate with the other large utilities on vegetation management:

SDG&E shall submit an RCP with a plan for the following:

- i. Comparing areas with and without enhanced post-trim clearances to measure the extent to which post-trim clearance distances affect probability of vegetation caused ignitions and outages.
- ii. Collaborating with PG&E and SCE in accordance with Conditions PG&E-26 and SCE-12 to develop a consensus methodology for how to measure post-trim vegetation clearance distance impacts on the probability of vegetation caused ignitions and outages⁶⁰

⁵⁷ Resolution WSD-005 Appendix A, p. A9 (Deficiency: "Throughout its WMP, SDG&E expresses an intent to obtain greater clearances than those required or recommended by the Commission. As these vegetation management programs continue to grow in scope, detailed discussion or evidence of the effect of these increased vegetation clearances on utility ignitions remains lacking. Specifically, SDG&E does not detail proposed guidelines for where such a clearance is both feasible and necessary, or scientific evidence or other data showing that such clearance will reduce wildfire risk, as directed in our decision approving SDG&E's 2019 WMP. Further details were provided to the WSD in response to a data request, specifically that SDG&E performs a tree-by-tree analysis with particular concern for "at-risk species" to determine if a 25-foot clearance is beneficial. SDG&E's WMP does not provide results or analysis of the effectiveness of this measure since implementation of its 2019 WMP, as required by D.19-05-039. Without the ability to understand or even observe an incremental benefit of this increased clearance, it will be difficult to determine the effectiveness of this measure").

⁵⁸ D.19-05-039, p. 29-30 (OP 5) (SDG&E's excessive clearance not allowed unless supported by scientific evidence).

⁵⁹ Resolution WSD-005 Appendix A, p. A9 ("Specifically, SDG&E does not detail proposed guidelines for where such a clearance will reduce wildfire risk, as directed in our decision approving SDG&E's 2019 WMP...SDG&E's WMP does not provide results or analysis of the effectiveness of this measure since implementation of its 2019 WMP, as required by D.19-05-039. Without the ability to understand or even observe an incremental benefit of this increased clearance, it will be difficult to determine the effectiveness of this measure.").

⁶⁰ Resolution WSD-005, Appendix A, p. A9.

In its RCP, however, SDG&E admits that it has not and cannot yet comply with the requirements in D19-05-039 to ensure that its enhanced vegetation management program be grounded in science before proceeding with such a program.⁶¹ Thus, SDG&E confirms both its failure to comply with Condition SDGE-13(i) as set forth in Resolution WSD-005, as well as its failure to comply with the Commission's express orders in D.19-05-039; and therefore that any enhanced vegetation management program is entirely unauthorized, unjust, and unreasonable.⁶² Moreover, SDG&E has not provided any evidence that it holds any legal interest in the subject properties; and the Commission has no jurisdiction and cannot authorize vegetation management on real property in which SDG&E holds no legal interest.⁶³

It is not enough for SDG&E to state that it has "participated in several meetings" with the other large utilities.⁶⁴ For the Commission to approve SDG&E's tree removal scheme, SDG&E must first establish that it has an interest in the property: if SDG&E cannot establish enhanced clearing falls within the scope of its current easement rights, this should be the end of the inquiry.⁶⁵ If SDG&E can establish that it has an interest in the property, then SDG&E must comply with CEQA.⁶⁶

SDG&E has not and cannot show that its tree removal program is exempt from CEQA,⁶⁷ which only exempts "minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes" - an exemption which does not apply to the extensive and excessive vegetation management practices described in SDG&E's 2020 WMP.⁶⁸

⁶¹ RCP, p. 5 (SDG&E admitting it has not yet gathered enough data to support its proposed enhanced vegetation management); *compare* D.19-05-039, p. 29-30 (OP 5: allowing for enhanced vegetation only "if such a practice is supported by scientific evidence or other data showing that such clearance will reduce risk under wildfire conditions").

⁶² Resolution WSD-005, Appendix A, p. A9 ("...SDG&E does not detail proposed guidelines for where such a clearance will reduce wildfire risk...").

⁶³ A.17-10-007/008, The Protect Our Communities Foundation Comments on Assigned Commissioner's Amended Scoping Memorandum and Ruling (July 20, 2020), p. 20; *Greyhound Lines, Inc. v. P.U.C.* (1968) 68 Cal.2d 406, 411 ("It was early decided and remains the law that the perimeter of commission authority to order service modifications is staked out by the limits of a utility's dedication or devotion of its property to public use. The power to order 'additions, extensions, repairs, improvements' within the scope of dedication is extensive; without the scope of dedication, the commission's power is ineffectual."); *Cerf v. Peleging* (1892) 94 Cal.131, 136 (one cannot dedicate the land of another).

⁶⁴ RCP, p. 5.

⁶⁵ *Ibid.*; *see also Dolnikov v. Ekizian* (2013) 222 Cal.App.4th 419, 428 ("Incidental or secondary easement rights are limited by a rule of reason.").

⁶⁶ Resolution WSD-002, p. 46 (OP 12: "Nothing in the review and approval of WMPs relieves the electrical corporations of any otherwise applicable environmental laws or other statutory requirements. Moreover, environmental stewardship is an important value to California and electrical corporations are expected to consider environmental values in all their decision-making...").

⁶⁷ SDG&E 2020 WMP, p. 114.

⁶⁸ 14 Cal. Code Regs., § 15304, subd. (i); 14 Cal. Code Regs., § 15300.2.

SDG&E's half-page vegetation management section of its RCP admits SDG&E has failed to comply with D.19-05-039 and Condition SDGE-13(i). The so-called plan set forth in SDG&E's RCP in an attempt to comply with Condition SDGE-13(ii) entirely fails to provide any indication of SDG&E's compliance with basic legal prerequisites such as establishing the Commission's jurisdiction and compliance with CEQA. SDG&E not only fails to demonstrate any interest in the 25-foot area SDG&E proposes should be cleared, but fails to demonstrate any intention on SDG&E's part to comply with CEQA, such as how SDG&E intends to mitigate the adverse climate change impacts of eliminating natural carbon sinks⁶⁹ and that SDG&E has considered alternatives to its proposed excessive vegetation clearance practices.⁷⁰

IV. CONCLUSION

SDG&E's RCP reveals that SDG&E refuses to take the Commission's orders seriously. SDG&E has repeatedly failed to provide the risk-related information repeatedly required by the Commission; and SDG&E admits in its RCP that it failed to comply with the Commission's vegetation-related orders made just last year. Having failed to address the Class A deficiencies identified by the Commission in its RCP, SDG&E has failed to satisfy the Commission's mandatory conditions; and thus SDG&E's 2020 WMP cannot be approved.

Sincerely,

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⁶⁹ See Jean-Francois Bastin et al., *The global tree restoration potential*, Science (July 5, 2019); see also The Guardian, *Tree planting 'has mind-blowing potential' to tackle climate crisis*, available at <https://www.theguardian.com/environment/2019/jul/04/planting-billions-trees-best-tackle-climate-crisis-scientists-canopy-emissions>; The Guardian, *Greta Thunberg: 'We are ignoring natural climate solutions'* Film by Swedish activist and Guardian journalist George Monbiot says nature must be used to repair broken climate, available at <https://www.theguardian.com/environment/2019/sep/19/greta-thunberg-we-are-ignoring-natural-climate-solutions>.

⁷⁰ 14 Cal. Code Regs. § 15064.4 (Determining the Significance of Impacts from Greenhouse Gas Emissions); 14 Cal. Code Regs. § 15065 (Mandatory Findings of Significance); 14 Cal. Code Regs., § 15126.6; Bear Valley Electric's 2020 WMP, p. 57 (minimizing fire risk with a 6-foot separation standard in combination with regular walking inspections of rights-of-way and timely preventive tree trimming).