

ADAMS BROADWELL JOSEPH & CARDOZO

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

601 GATEWAY BOULEVARD, SUITE 1000
SOUTH SAN FRANCISCO, CA 94080-7037

TEL: (650) 589-1660
FAX: (650) 589-5062
agraf@adamsbroadwell.com

SACRAMENTO OFFICE

520 CAPITOL MALL, SUITE 350
SACRAMENTO, CA 95814-4721

TEL: (916) 444-6201
FAX: (916) 444-6209

DANIEL L. CARDOZO
CHRISTINA M. CARO
SARA F. DUDLEY
THOMAS A. ENSLOW
ANDREW J. GRAF
TANYA A. GULESSERIAN
KENDRA D. HARTMANN*
KYLE C. JONES
RACHAEL E. KOSS
NIRIT LOTAN
AARON M. MESSING
WILLIAM C. MUMBY
CAMILLE G. STOUGH

MARC D. JOSEPH
Of Counsel

*Admitted in Colorado

June 15, 2020

Via E-Mail Only

Wildfire Safety Advisory Board
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Email: wildfiresafetyadvisoryboard@cpuc.ca.gov

Re: **Comments of the Coalition of California Utility Employees on the Wildfire Safety Advisory Board's Draft Recommendations on the 2021 Utility Wildfire Mitigation Plan Guidelines, Performance Metrics, and Safety Culture**

Dear Wildfire Safety Advisory Board:

We are writing on behalf of the Coalition of California Utility Employees to provide comments on the Wildfire Safety Advisory Board's Draft Recommendations on the 2021 Utility Wildfire Mitigation Plan Guidelines, Performance Metrics, and Safety Culture.¹

I. Introduction

CUE is a coalition of labor unions whose approximately 43,000 members work at nearly all the California utilities, both publicly and privately owned. CUE's coalition union members make up the on-the-ground workforces of the three large electrical corporations that implement electric operations and maintenance policies and practices, including, for example, service restoration following a power safety power shutoff event. CUE's coalition union members are directly impacted by

¹ California Wildfire Safety Advisory Board, Draft Recommendations on the 2021 Utility Wildfire Mitigation Plan Guidelines, Performance Metrics, and Safety Culture (June 2, 2020) (*hereinafter* "2021 Recommendations"), *available at*

https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WS/D/Draft%202021%20WSAB%20Recommendations%20FINAL%20-%20June%20202020.pdf.

1011-1668acp

implementation of the IOUs' wildfire mitigation plans. CUE has participated in proceedings before the California Public Utilities Commission for 25 years, including as a party to the Order Instituting Rulemaking to Implement Electric Utility Wildfire Mitigation Plans Pursuant to Senate Bill 901 (2018), R. 18-10-007.

Climate change will cause increasingly severe and more frequent wildfires. Five of the most destructive wildfires in California history occurred in 2017. The deadliest and most destructive wildfire in California's history burned in 2018. These wildfires caused unimaginable loss of life, property damage, public health impacts, environmental degradation, damage to local economies and adverse impacts to electric distribution systems. It is critically important for the IOUs to continue to enhance and revise their WMPs to achieve the highest levels of safety, reliability, and resiliency.

CUE's comments focus on the Board's recommendations to expand workforce training programs, hire qualified electrical workers, utilize Wildfire Safety Division's expertise during the reasonableness review of utility wildfire mitigation expenditures, and implement a new prudent operator standard.

II. CUE Supports the Board's Recommendations to Hire Qualified Electrical Workers and Develop Robust Training Programs

The Board renews its 2020 recommendation that the Commission and WSD require the utilities to (1) hire qualified electrical workers to perform certain types of inspections and (2) develop more robust outreach and onboarding training programs for new employees that train wildfire mitigation workers to identify hazards that could ignite wildfires and increase the pool of qualified electrical workers.² CUE continues to support this recommendation.

As the Board correctly observes, the level of expertise currently relied upon by IOUs to perform electrical inspections varies across the utilities.³ For example, PG&E deploys journeyman linemen to complete the necessary asset inspections within High Fire Threat Districts, but SCE and SDG&E use a mix of linemen and

² *Id.* at pp. 21-22.

³ Wildfire Safety Advisory Board, Recommendations on the 2020 Utility Wildfire Mitigation Plans (Apr. 15, 2020) p. 22, available at https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WSAB/WSAB%20Recs%20on%202020%20Utility%20WMPs%20-%20Final%20Approved%20Executed%204.17.2020.pdf.

1011-1668acp

overhead inspectors to complete similar tasks. While overhead inspectors have basic knowledge of General Order 95, these workers do not have the expertise or experience required, such as identifying what infrastructure may need to be replaced, re-engineered, or sectionalized. The IOUs must train, retain, and hire enough qualified electrical workers to complete the necessary wildfire mitigation inspections to make the electrical systems more resilient and resistant to wildfire.

A dedicated workforce of qualified inspectors will provide a level of skill and experience that the Commission, WSD, and the public can rely on for accurate and informative mapping of IOU assets, as well as ensure that those assets are being managed safely and properly. Investing in training programs and developing the workforce now will produce substantial long-term benefits.

III. CUE Supports the Board's Recommendations to Utilize the Wildfire Safety Division's Expertise During General Rate Cases

The Board recommends that the WSD assist in the reasonableness review of utility wildfire mitigation expenditures during the utilities' general rate cases. CUE supports having WSD assist the Commission in determining whether wildfire mitigation expenditures are just and reasonable. Although WSD does not approve the costs associated with the IOUs' proposed wildfire mitigations efforts, the WSD evaluates WMPs for (1) compliance with statutory requirements, (2) the technical feasibility and effectiveness of proposed initiatives, (3) resource use efficiency, and (4) forward looking growth.⁴ These factors are all relevant to the Commission's consideration of whether the costs requested by the utilities are just and reasonable.

IV. The Board's Recommendation to Add a Condition to Receiving a Safety Certificate is Inconsistent with AB 1054 and the Proposed Prudent Operator Standard May Duplicate the Existing Requirement to Implement an Approved WMP

The Board recommends that a "prudent operator" standard or threshold be developed in addition to or as an alternative to performance metrics.⁵ The Board explains that the prudent operator standard or threshold would set an acceptable

⁴ California Public Utilities Commission, Resolution WSD-002 Guidance Resolution on 2020 Wildfire Mitigation Plans Pursuant to Public Utilities Code Section 8386 (June 10, 2020) p. 17.

⁵ 2021 Recommendations at p. 35.

level of electric operation risk and establish the risk reduction that a prudent operator should assume so that the utilities can design their systems accordingly.⁶ Once the prudent operator standard is established, utilities would be required to establish a risk reduction plan to meet the standard using the suite of available wildfire mitigation tools.⁷ To create an enforcement mechanism, the Board recommends that meeting the standard be an additional condition the utilities would need to satisfy to receive a safety certificate and access the wildfire fund.⁸ It is not entirely clear how Board's recommendation would fit into the WMP framework, however it is clear that the recommendation to add a condition to receiving a safety certificate is inconsistent with AB 1054, and the proposed prudent operator standard would likely duplicate the existing requirement for IOUs to implement their approved WMPs.

Public Utilities Code § 8389(e) specifies seven conditions that an IOU must meet to receive a safety certification, none of which are meeting some unspecified prudent operator standard. An IOU must show that it: (1) has an approved WMP, (2) is in good standing (satisfied by agreeing to implement the most recent safety culture assessment, if applicable), (3) has established a safety committee of its board of directors composed of members with relevant safety experience, (4) has established an approved executive incentive compensation structure, (5) has established board-of-director-level reporting to the Commission on safety issues, (6) has established a compensation structure for any new and amended contracts consistent with specified statutory principles, and (7) is implementing its approved WMP.⁹ If the IOU provides documentation proving it satisfied these conditions, then the WSD is required to issue a safety certificate.¹⁰ AB 1054 clearly delineates the conditions that must be met to receive a safety certification and does not leave room for the Commission or WSD to add more conditions.

Moreover, an IOU must already implement an approved WMP as a condition of receiving a safety certificate. An IOU's WMP serves as the risk reduction plan. It identifies specific mitigation measures to be implemented and is intended to achieve the maximum feasible risk reduction. Therefore, requiring IOUs to meet a prudent operator standard as part of their WMPs would be duplicative.

⁶ *Ibid.*

⁷ *Ibid.*

⁸ *Ibid.*

⁹ Pub. Utilities Code § 8389(e)(1)-(7).

¹⁰ *Id.* § 8389(f)(2).

1011-1668acp

V. Conclusion

CUE greatly appreciates the Board's thoughtful recommendations and is committed to assisting the IOU's efforts to reduce the wildfire threat in California and ensure that the grid is maintained in a safe and reliable manner. CUE supports the Board's recommendations to improve IOU training programs, hire qualified electrical workers, and utilize WSD's expertise during GRCs. However, CUE cannot support the proposed prudent operator standard because it is inconsistent with AB 1054.

Thank you for your consideration of these comments.

Sincerely,



Andrew J. Graf

AJG:acp