

MONTHLY PERFORMANCE REPORT

ENERGY SAFETY
June 2021

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INTRODUCTION

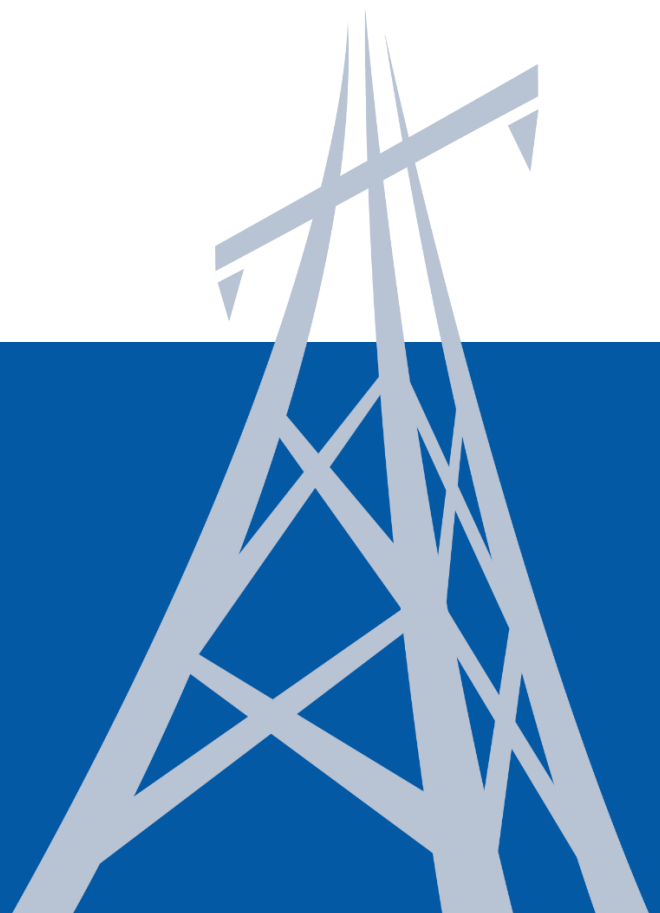
Effective July 1, 2021, all functions of the Wildfire Safety Division (WSD) under the California Public Utilities Commission (CPUC) transitioned to the Office of Energy Infrastructure Safety (hereby referred to as “Energy Safety”) a new department under the California Natural Resources Agency (CNRA), established pursuant to Section 15473 of the Government Code. Energy Safety’s strategy and mission is unchanged from the WSD. Our primary responsibility continues to ensure electrical corporations (ECs) are taking effective actions to reduce utility-related wildfire risk. Following the transition, Energy Safety will be comprised of the following Divisions: Safety Policy Division, Compliance Division (formerly the Mitigation Branch and the Compliance Branch, respectively, within the WSD), Data Analytics Division, Administration Division, Legal Division, and a Communications & External Affairs Division.

The primary purpose of Energy Safety is to ensure ECs are taking effective actions to reduce utility-related wildfire risk. We implement measures to ensure an integrated, utility-related wildfire mitigation approach; amalgamate local perspectives into utility approaches to reflect community differences; support decision making with data and analytics; and exercise innovative problem solving.

The June 2021 Monthly Performance Report (MPR), Energy Safety conducted inspection activities as WSD. The MPR is prepared by Energy Safety staff and summarizes key activities completed in the prior month in support of Energy Safety’s mission.



OFFICE OF ENERGY
INFRASTRUCTURE
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COMPLIANCE DIVISION

The Compliance Division oversees utility compliance with their approved Wildfire Mitigation Plans (WMP) through ongoing assessments, including field inspections and audits. Below is a summary of key activities completed in June 2021.

FIELD INSPECTIONS OF UTILITY INFRASTRUCTURE AND OPERATIONS

Compliance Division shifted resources in June to prioritize transition-related activities, onboarding of the Compliance Assurance Contractor (CAC), and submission of the Independent Evaluator Annual Report on Compliance (IE ARC). Therefore, overall inspection activities decreased in the month of June. Normal Energy Safety inspection activities are expected to resume in the coming months.

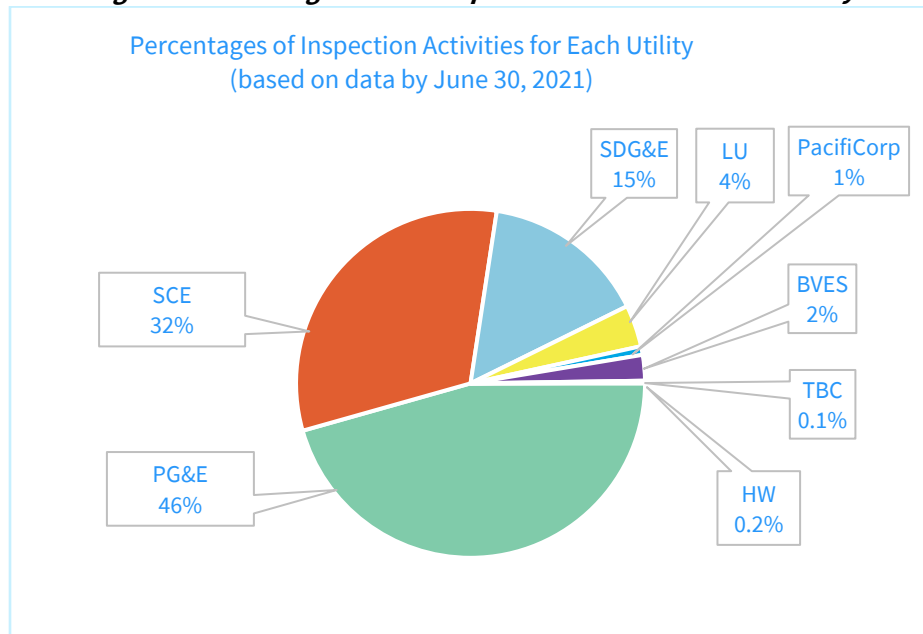
In June 2021, Energy Safety conducted three inspection activities¹ across three WMP Categories at Trans Bay Cable (TBC). No inspection activities occurred at Pacific Gas & Electric (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E), Bear Valley Electrical Services, Inc. (BVES), PacifiCorp, and Horizon West Transmission (Horizon West).

Table 1: Total Number of Inspection Activities by Utilities

	June 2021	Total activities to date*
No. of Activities	3²	5392
PG&E	-	2460
SCE	-	1714
SDG&E	-	825
LU	-	209
PacifiCorp	-	43
BVES	-	128
Horizon West	-	10
TBC	3	3
*Data from initiation of Field Inspection Program in June 2020 to June 31, 2021		

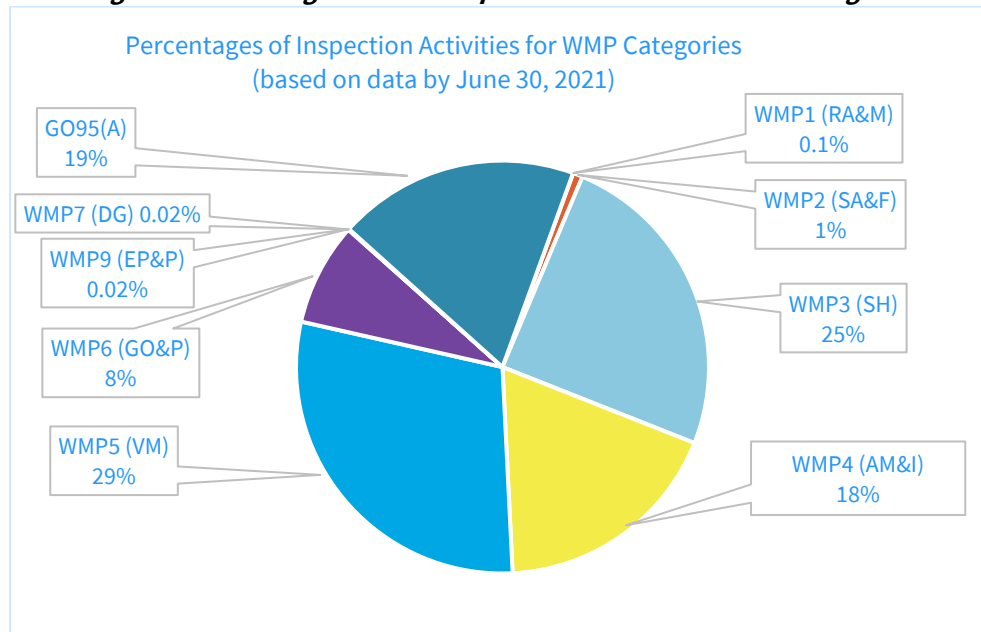
¹ An inspection of each individual WMP initiative is considered a separate inspection activity. For example, a pole inspected for compliance with a WMP3 (Grid Design and System Hardening) initiative and inspected for compliance with a WMP5 (Vegetation Management and Inspections) initiative is counted as two inspection activity units, though only one pole is inspected. An inspection report may contain multiple inspection activities across multiple WMP initiatives.

² Energy Safety overall inspection activities decreased in the months of May and June due to resourcing preparation for the transition to the Office of Energy Infrastructure Safety.

Figure 1: Percentage of Total Inspection Activities for Each Utility**Table 2: Number of Inspection Activities by WMP Categories**

WMP Categories	June 2021	Total Activities to date*
No. of Activities	3	5392
WMP1³ (Risk Assessment & Mapping)	1	1
WMP2³ (Situational Awareness)	1	41
WMP3³ (System Hardening)	-	1330
WMP4³ (Asset Inspections)	-	982
WMP5³ (Vegetation Management)	-	1581
WMP6³ (PSPS)	-	434
WMP7³ (Data Governance)	-	3
WMP9³ (Emergency Planning & Preparedness)	1	1
GO 95	-	1019
* Data from initiation of Field Inspection Program in June 2020 to June 30, 2021		

³ WMP Guidelines categorize mitigation initiatives into 10 Categories: Category 1 – Risk assessment and mapping (commonly referred to as WMP1), Category 2 – Situational awareness and forecasting (WMP2), Category 3 – Grid design and system hardening (WMP3), Category 4 – Asset management and inspections (WMP4), Category 5 – Vegetation management and inspections (WMP5), Category 6 – Grid operation and protocols (WMP6, also referred to as public safety power shutoff or PSPS), Category 7 – Data governance (WMP7), Category 8 – Resource allocation methodology (WMP8), Category 9 – Emergency planning and preparedness (WMP9), and Category 10 – Stakeholder cooperation and community engagement (WMP10). More information of WMP categorization is available at: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M322/K133/322133494.PDF>

Figure 2: Percentages of Total Inspection Activities for WMP Categories

DEFECTS

During inspections, Energy Safety staff document any condition noted that is inconsistent with the WMP Category as a defect. Each identified defect is also assigned a severity category which corresponds to a corrective action timeframe, as provided in Table 3 below. Depending on the level of defect severity—with a range of severe, moderate, and minor—Energy Safety requires repairs in intervals that depend on severity and the location of the defect.⁴ Table 4 below summarizes the number of defects identified during inspections conducted in June 2021, total number of defects to date, and the status of all defects corrected by ECs. No defects were noted in the month of June 2021.

Table 3: Defect Correction Timeline for Levels of Severity

Category	Correction Timeline
Category 1 - Severe	Immediate resolution
Category 2 - Moderate	1-2 months (in HFTD Tier 3) 3-6 months (in HFTD Tier 2) 6 months (if relevant to worker safety) 12 months or scheduled in WMP update (other)
Category 3 - Minor	12 months or resolution schedule included in WMP update

⁴ Resolution WSD-012, approved by the Commission on November 19, 2020, established a schedule for ECs to correct defects. Resolution WSD-012 is available at:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M351/K834/351834801.PDF>

Table 4: Summary of Status of Open and Closed Defects with Severities

	June 2021	All Defects to date	Open Defects as of 6/30/2021				Resolved Defects
			Total	Severe	Moderate	Minor	
No. of Defects	-	284	104	15	33	56	180
PG&E	-	189	58	15	21	22	131
SCE	-	33	18	-	1	17	15
SDG&E	-	31	12	-	1	11	19
LU	-	20	18	-	10	6	4
PacifiCorp	-	-	-	-	-	-	-
BVES	-	11	-	-	-	-	11
Horizon West	-	-	-	-	-	-	-
TBC	-	-	-	-	-	-	-

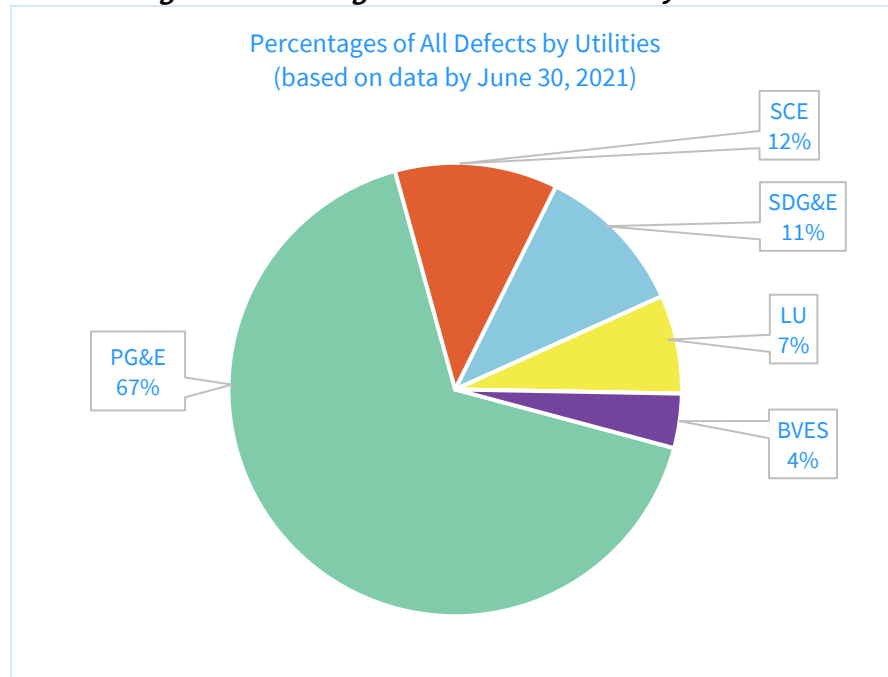
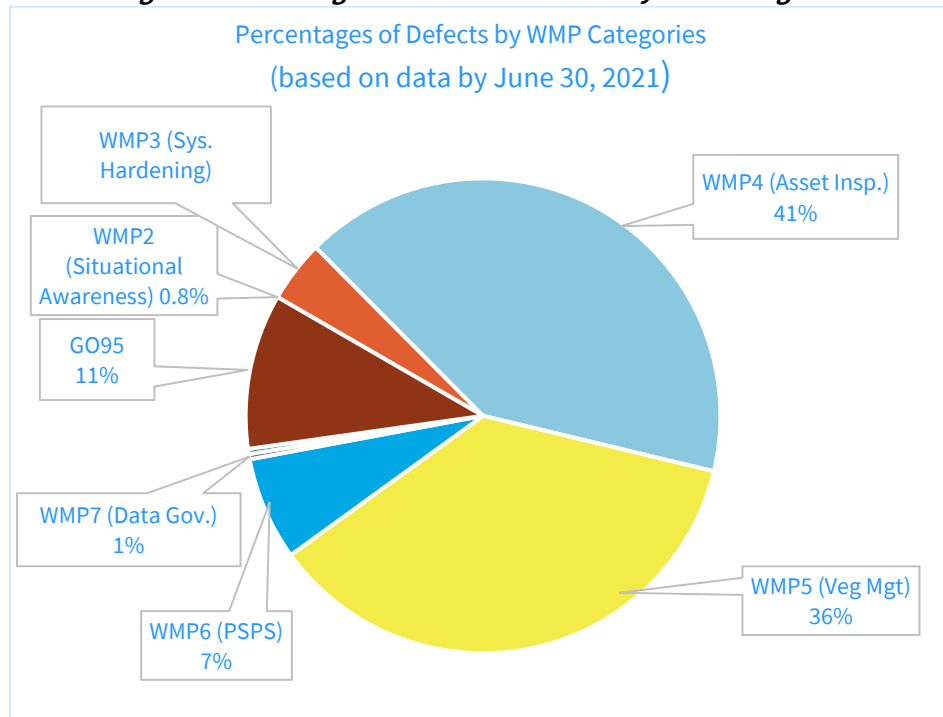
Figure 3: Percentages of All Defects to Date by Utilities

Figure 4: Percentages of all Defects to Date by WMP Categories

AUDIT PROGRAM

After launching the Field Inspection Program, Energy Safety initiated its Audit Program in the Fall of 2020. In September 2020, Energy Safety launched forensic accounting audits of 2019 and 2020 WMP investments for PG&E, SCE, SDG&E, BVES, PacifiCorp, and LU. Energy Safety has also launched audits of PGE, SCE, and SDG&E Vegetation Management activities. A full list of initiated audits is below.

Table 5: Audits initiated by Energy Safety

ECs	Description of Audit	Audit Status	Major Deficiencies/ Findings
PG&E	Substantial Vegetation Management ⁵	In Progress	TBD
SCE	Substantial Vegetation Management ⁵	In Progress	TBD
SDG&E	Substantial Vegetation Management ⁵	In Progress	TBD
BVES	Substantial Vegetation Management ⁵	In Progress	TBD
PG&E	WMP Forensic Accounting ⁶	In Progress	TBD

⁵ Senate Bill 247 requires ECs to notify Energy Safety of their substantial compliance with WMP vegetation management. The audit is to verify whether ECs have completed what they have committed in the approved WMPs for vegetation management.

⁶ Forensic Accounting Audit is to assess whether any expenses/investments identified in the 2019 and 2020 WMPs are duplicative of operating and capital expenditures approved in previous General Rate Cases.

ECs	Description of Audit	Audit Status	Major Deficiencies/ Findings
SCE	WMP Forensic Accounting ⁶	In Progress	TBD
SDG&E	WMP Forensic Accounting ⁶	In Progress	TBD
BVES	WMP Forensic Accounting ⁶	In Progress	TBD
PacifiCorp	WMP Forensic Accounting ⁶	In Progress	TBD
LU	WMP Forensic Accounting ⁶	In Progress	TBD
SCE	Risk Prioritization for System Hardening and Vegetation Management ⁷	In Progress	TBD
SDG&E	Risk Prioritization for System Hardening and Vegetation Management ⁷	In Progress	TBD

CONSUMER COMPLAINTS

Energy Safety receives customer complaints related to wildfire safety from the CPUCs Consumer Affairs Branch (CAB). Each complaint is assessed and responded to depending on the type of complaint. Below is the summary of complaint(s) year to date and received in June for calendar year 2021.

Table 6: Complaints Managed by Energy Safety

Compliance Branch	June 2021	Year to Date 2021
Complaints investigated	1	5

ADDITIONAL HIGHLIGHTS OF THE COMPLIANCE DIVISION

Wildfire Safety Division Transitioned to the Office of Energy Infrastructure Safety

On July 1, 2021 the Wildfire Safety Division successfully transitioned to the Office of Energy Infrastructure Safety, a new department under the California Natural Resources Agency, as statutorily required by Assembly Bill 111.

Independent Evaluator's Annual Report on Compliance

On July 1, 2021 the contracted Independent Evaluators (IE) final Annual Report on Compliance (ARC) were submitted to Energy Safety fulfilling requirements set by the Public Utilities Code, Section 8386.3(C)(2)(B)(i). In meeting its statutory authority, Energy Safety (in its former role as the Wildfire Safety Division) published the final IE ARCs which can be found at: <https://energysafety.ca.gov/what-we-do/compliance/independent-evaluators/>.

⁷ Risk Prioritization for System Hardening and Vegetation Management is to evaluate ECs 2021 plans in implementing system hardening and vegetation management at prioritized areas for effective reduction of wildfire risks based on data collected in 2020.

Compliance Assurance Contractor (CAC)

On June 17, 2021 Energy Safety held an introductory meeting between the ECs and Green Grid Inc. (GGI) who has been retained as Energy Safety's Compliance Assurance Contractor (CAC). Under this new contract, GGIs first task will be to review and summarize ECs' risk modeling efforts. Other tasks GGI will perform include compliance assistance with audits, field inspections, and investigation-support.



SAFETY POLICY DIVISION

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Energy Safety's Safety Policy Division⁸ comprehensively reviews ECs' WMPs in accordance with Public Utilities Code Section 8386 et. seq. The Division also develops wildfire safety policy and performance metrics, conducts safety culture assessments, and reviews and issues safety certificates. The Safety Policy Division is committed to continuous improvement in utility-related wildfire mitigation approaches.



PROGRAM GUIDANCE AND PROCESSES

In June of 2021, the Safety Policy Division accomplished the following:

2021 Wildfire Mitigation Plan (WMP) Updates

Based on direction from Energy Safety, PG&E, SCE and BVES submitted a revised 2021 WMP Update on June 3, 2021. These revised WMPs were submitted in response to Energy Safety's Revision Notices, issued on May 4, 2020. Energy Safety continues to review information provided in the revised 2021 WMP Updates to inform its evaluation.

On June 7, 2021, Energy Safety issued Draft Action Statements and Resolutions on the 2021 WMP Updates for Liberty, PacifiCorp, Trans Bay Cable, and Horizon West. On June 10, 2021, Energy Safety issued a Draft Action Statement and Resolution on SDG&E's 2021 WMP Update. Energy Safety continues to evaluate the 2021 WMP Updates for SCE, PG&E, and BVES with a plan to provide its final determination in the coming months.

RESOURCES

All publicly available Wildfire Safety Division documents are available at: <https://energysafety.ca.gov/>

⁸ Pursuant to Public Utilities Code Section 326(b), on July 1, 2021, the Wildfire Safety Division (WSD) transitioned from the Commission into the Office of Energy Infrastructure Safety (Energy Safety) under the California Natural Resources Agency. Energy Safety "is the successor to" and "is vested with all of the duties, powers, and responsibilities of the Wildfire Safety Division," (Government Code Section 15475) including, but not limited to, jurisdiction for evaluating and approving or denying electrical corporations' WMPs and evaluating compliance with regulations related to the WMPs. The Commission and the newly formed Energy Safety will adhere to all statutory requirements pertaining to the WMP process. WSD is used to describe the work of the WSD prior to July 1, 2021. Energy Safety is used to describe the work of Energy Safety beginning on July 1, 2021. Any references to WSD action post July 1, 2021 or to Energy Safety action prior to July 1, 2021 are inadvertent and should be interpreted as the actions of WSD or Energy Safety as appropriate.

DATA DRIVEN FORWARD-THINKING INNOVATIVE SAFETY FOCUSED



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