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April 30, 2021

VIA ELECTRONIC MAIL

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Subject: Comments of the Public Advocates Office on Supplemental Submissions Requesting Approval of 2021 Executive Compensation Structures

INTRODUCTION

Pursuant to the Rules of Practice and Procedure of the California Public Utilities Commission (Commission) and the Wildfire Safety Division's (WSD) guidance,^{1, 2} Resolution WSD-011, the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) submits these comments on the supplemental submissions of the large investor-owned utilities (IOUs or utilities)³ requesting approval of their executive compensation plans for 2021.

Cal Advocates provides the following comments to assist the WSD in its statutory obligation under Public Utilities Code Section 8389(e)(4) to see that the utilities' executive incentive compensation structures "promote safety as a priority," while relying on "performance metrics that are measurable and enforceable."⁴ To this end, Cal Advocates makes the following recommendations:

¹ *Wildfire Safety Division Guidance on Submission of Executive Compensation Approval Requests by Electrical Corporations Pursuant to Public Utilities Code 8389(e)(4) and 8389(e)(6)*, December 22, 2020.

² WSD letter regarding *The Public Advocates Office Request for Extension of Time to Provide Comments on Executive Compensation Supplemental Submissions*, April 8, 2021.

³ Many of the Public Utilities Code requirements relating to wildfires apply to "electrical corporations." See, e.g., Public Utilities Code Section 8386. These comments use the more common term "utilities" and the phrase "electrical corporations" interchangeably to refer to the entities that must comply with the wildfire safety provisions of the Public Utilities Code.

⁴ Public Utilities Code Section 8389(e)(4).

- A. The WSD should require the utilities to provide historical data underlying their metrics and targets.
- B. The WSD should require all utilities to provide an explanation of the derivation for each, minimum, target, and maximum metric goals.
- C. The WSD should require the Pacific Gas and Electric Company (PG&E) to establish concrete milestones for all metrics prior to approving its executive incentive compensation structure.
- D. The WSD should require PG&E to justify how its “maximum” performance milestones promote significant and meaningful improvements to public safety.
- E. The WSD should require Southern California Edison Company (SCE) to revise its metrics so that all Safety & Resiliency targets are quantifiable and enforceable.
- F. The WSD should require SCE to revise the targets for compliance-related metrics.
- G. The WSD should require SCE to provide a basis for the targets for Safety & Resiliency metrics.
- H. The WSD should require San Diego Gas & Electric Company (SDG&E) to set metric targets which represent an increase over past performance.

BACKGROUND

Public Utilities Code Section 8389 directs the WSD to issue safety certifications to electric utilities that meet certain requirements. The purpose of safety certifications is to ensure that each electrical corporation demonstrates a commitment to safety throughout its organization⁵ and especially with respect to wildfire risks.⁶

Public Utilities Code Section 8389(e)(4) requires electric utilities to establish and seek the WSD’s approval of “an executive incentive compensation structure ... structured to promote safety as a priority,” while relying on “performance metrics that are measurable and enforceable.” On December 22, 2020, the WSD issued guidance to electric utilities and stakeholders regarding requests for approval of the utilities’ 2021 executive compensation plans.

On January 15, 2021, PG&E, SDG&E, and SCE submitted requests for approval of their executive compensation structures. Cal Advocates and The Utility Reform Network (TURN)

⁵ Public Utilities Code Sections 8389(e)(1) through 8389(e)(7).

⁶ Public Utilities Code Sections 8389(e)(1) and 8389(e)(7).

submitted comments on January 29, 2021.⁷ Subsequently, PG&E,⁸ SCE,⁹ and SDG&E¹⁰ supplemented their requests for approval of their executive compensation structures. The comments provided herein should be considered in addition to those provided in Cal Advocates' January 2021 comments.

On March 24, 2021, the WSD invited stakeholders to submit comments on the supplemental submissions by April 9, 2021, and invited IOUs to submit reply comments by April 16, 2021.¹¹ On April 5, 2021, Cal Advocates (with the support of TURN, Mussey Grade Road Alliance, Will Abrams, and Protect Our Communities Foundation) requested an extension to April 30, 2021 for opening comments and May 7, 2021 for reply comments.¹² On April 8, 2021, the WSD granted this extension request.¹³

GENERAL RECOMMENDATIONS

Executive incentive compensation structures are required to “promote safety as a priority,” and to include metrics that “are measurable and enforceable.” The metrics and metric targets proposed by the utilities cannot be evaluated by these criteria without supporting information. First, the utilities should be required to provide context—in the form of historical data—with their proposed incentive compensation structures. Second, the utilities should be required to thoroughly explain the derivation of the minimum (threshold), target, and maximum (aspirational) metric goals used to determine the amount of incentive compensation provided to executives, and to show how these goals promote safety consistent with Public Utilities Code Section 8389. This supplemental information should be included as a part of the initial utility filings, as it is necessary for evaluation of any proposed metrics.

THE WSD SHOULD REQUIRE THE UTILITIES TO PROVIDE HISTORICAL DATA UNDERLYING THEIR METRICS AND TARGETS.

The WSD should require the utilities to provide, at minimum, the historical five-year values for their safety-related metrics as an appendix to their Executive Compensation Plans. Having a historical context for the proposed metrics is critical for determining if utility performance

⁷ *Wildfire Safety Division Guidance on Submission of Executive Compensation Approval Requests by Electrical Corporations Pursuant to Public Utilities Code 8389(e)(4) and 8389(e)(6)*, December 22, 2020, p. 4.

⁸ *Pacific Gas and Electric Company's Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6)*, March 2, 2021.

⁹ *Southern California Edison Company's 2021 Executive Compensation Supplemental Submission*, March 1, 2021.

¹⁰ *SDG&E's Supplement to Its 2021 Executive Compensation Submission*, February 25, 2021.

¹¹ WSD letter regarding *Executive Compensation Supplemental Submissions*, March 24, 2021.

¹² Cal Advocates, *Request for Extension of Time to Provide Comments on Executive Compensation Supplemental Submissions*, April 5, 2021.

¹³ WSD letter regarding *The Public Advocates Office Request for Extension of Time to Provide Comments on Executive Compensation Supplemental Submissions*, April 8, 2021.

targets represent a realistic improvement to safety performance. Without data showing how the utilities performed in these same categories in previous years, it is difficult to determine if a given target is reasonable. Historical data would also allow stakeholders to understand the extent to which a particular performance value is an improvement over a utility's past performance. To address this concern, Cal Advocates issued data requests asking for five years of historical performance data from the utilities, with mixed results with respect to the sufficiency of data provided.

In response, PG&E provided available historical data¹⁴ for all metrics. SCE provided historical data as requested.¹⁵ SDG&E provided only two years of historical data for only some of the metrics, and no historical data for some metrics such as wildfire risk events and vegetation contacts. This is not reasonable since SDG&E is already required to track these metrics as a part of its Wildfire Mitigation Plan non-spatial data filings and providing the requested data should not have constituted any additional burden.¹⁶

Making historical information readily available to the WSD and all stakeholders improves transparency and ability to evaluate the utilities' performance metrics effectively and in a timely manner. It should be a standard part of executive compensation filings.

THE WSD SHOULD REQUIRE ALL UTILITIES TO EXPLAIN THE DERIVATION OF EACH MINIMUM, TARGET, AND MAXIMUM METRIC GOAL.

To demonstrate that their proposed metric goals will promote safety consistent with Public Utilities Code Section 8389, the utilities should provide a thorough explanation for how each target is determined and explicitly show how these targets promote safety. This supplemental information should be included as a part of the initial utility filings. Making such information readily available to the WSD and all stakeholders improves transparency and ability to evaluate the utilities' performance metrics effectively and in a timely manner. As shown below for the individual utilities, a number of the proposed metric goals only reflect the status quo and do not promote safety in a meaningful and effective manner.

¹⁴ Per PG&E's response to Data Request CalAdvocates-PGE-NonCase-AWM-04092021, Questions 1 and 2, PG&E does not have five years of historical data for all metrics. For those metrics where less than five years of data was available, PG&E provided all available years from 2016 through 2020.

¹⁵ SCE response to data request CalAdvocates-SCE-NonCase-MY-04092021, April 26, 2021.

¹⁶ Cal Advocates intends to pursue receipt of this data and address the deficiency of SDG&E's data request response. However, the proceeding schedule does not allow the data to be obtained from a recalcitrant party through the Commission's discovery process in time to inform these comments.

PG&E

THE WSD SHOULD REQUIRE PG&E TO ESTABLISH CONCRETE MILESTONES FOR ALL METRICS PRIOR TO APPROVING ITS EXECUTIVE INCENTIVE COMPENSATION STRUCTURE.

Public Utilities Code Section 8389(e)(4) requires the utilities' executive incentive compensation structures to be based on performance metrics that are "measurable and enforceable." PG&E's submission does not include specific milestones for two metrics.

Under its Short-Term Incentive Plan (STIP), the "Reportable Fire Ignitions" metric does not yet have milestones purportedly "because 2020 results are still being audited."¹⁷ PG&E states that it will provide a further supplement to the WSD once it has established milestones for 2021, which it expects to occur in late April or early May 2021.¹⁸

Additionally, PG&E's "Non-GAAP Core Earnings Per Share" STIP metric provides a range of performance targets rather than distinct milestones.¹⁹ All of PG&E's other metrics have three specific performance milestones for "threshold," "target," and "maximum" values.

As proposed, PG&E's executive compensation plan is not "based on meeting performance metrics that are measurable and enforceable."²⁰ While PG&E has stated it will provide a supplement to the WSD to correct at least one of these deficiencies, it is not clear whether this supplement will be subject to stakeholder review and comes nearly halfway through the year in which PG&E is measuring these goals.

The WSD should defer action on PG&E's executive incentive compensation structure until PG&E provides the necessary information to demonstrate that all of its performance metrics are measurable and enforceable. The WSD should also allow at least a two-week period for stakeholder review and comment of PG&E's upcoming additional supplement.

¹⁷ *Pacific Gas and Electric Company's Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6)*, March 2, 2021, Exhibit A, p. A-1.

¹⁸ PG&E's response to Data Request CalAdvocates-PGE-NonCase-AWM-04092021, Question 3, April 23, 2021.

¹⁹ *Pacific Gas and Electric Company's Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6)*, March 2, 2021, Exhibit A, p. A-16.

²⁰ Public Utilities Code Section 8389(e)(4).

THE WSD SHOULD REQUIRE PG&E TO JUSTIFY HOW ITS “MAXIMUM” PERFORMANCE MILESTONES PROMOTE SIGNIFICANT AND MEANINGFUL IMPROVEMENTS TO PUBLIC SAFETY.

PG&E’s submission revises the payout level associated with achievement of the “maximum” performance milestone in STIP metrics to be 200 percent of the target award level.²¹ This matches the award level associated with the “maximum” milestone for Long-Term Incentive Plan (LTIP) metrics.²²

However, for a number of STIP and LTIP metrics, the performance associated with the “maximum” milestone does not appear to represent a significant improvement relative to the “target” milestone. The following table lists STIP and LTIP metrics that appear to require marginal performance improvements yet result in a doubling of executive incentive compensation.

Table 1			
Performance metrics with marginal difference between “target” and “maximum” performance milestones			
Metric²³	“Target” Milestone	“Maximum” Milestone	Percentage Difference²⁴
Wires Down Events Due To Equipment Failure	2.161 events/day	2.105 events/day	-2.6%
Gas Customer Emergency Response	20.8 minutes	20.0 minutes	-3.8%
System Hardening Effectiveness	1,140 miles	1,190 miles	+4.4%
Customer Satisfaction Score*	75.3 out of 100	78.7 out of 100	+4.5%

* Cal Advocates does not understand “Customer Satisfaction Score” to relate to either public safety or utility financial stability, which are the two elements of executive incentive compensation structures listed in Public Utilities Code Section 8389(e)(4).

²¹ Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6), March 2, 2021, p. 2.

²² Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6), January 15, 2021, p. 10.

²³ Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6), March 2, 2021, Exhibits A and B.

²⁴ Per Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6), March 2, 2021, a lower value indicates better performance for the following metrics: Wires Down Events Due To Equipment Failure; Gas Customer Emergency Response.

For each of the metrics listed in the above table, PG&E has established that a performance improvement of less than five percent over the “target” performance milestone is all that is required to double the executive incentive compensation associated with that metric. PG&E does not explain the reasonableness of its proposal, i.e., how such a large reward for such a small performance improvement is an appropriate and effective tool to “promote safety as a priority.”²⁵

The WSD should defer action on PG&E’s executive incentive compensation structure and require PG&E to file an additional supplement to justify how the small improvement in performance required to meet the “maximum” milestones over the “target” milestones is appropriate for these four areas. PG&E should explain how doubling incentive compensation for a five percent or smaller increase in performance is an appropriate and effective way to promote safety as a priority.

THE WSD SHOULD REQUIRE PG&E TO ENSURE THAT ITS PERFORMANCE METRIC MILESTONES PROMOTE IMPROVEMENT AND EXCELLENCE.

PG&E states that it designed its performance metric milestones “to promote continual *improvement* and *excellence* in performance over time.”²⁶ PG&E further states that “generally speaking, achieving a ‘target’ level ... requires improving upon 2020 performance.”²⁷

However, PG&E’s milestones for several metrics do not appear to be designed to promote improvement over 2020 performance. For example, the Gas Dig-In Reductions STIP metric targets lower performance than PG&E saw in either 2019 or 2020.²⁸

Moreover, a number of those metrics target lower performance than demonstrated in a majority of the last five years. The following table lists STIP and LTIP metrics that do not appear to align with PG&E’s claims of “improvement” and “excellence.”

²⁵ Public Utilities Code Section 8389(e)(4).

²⁶ *Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6)*, March 2, 2021, p. 3. Emphasis in original.

²⁷ *Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6)*, March 2, 2021, p. 3.

²⁸ PG&E’s 2021 target milestone for its Gas Dig-in Reductions STIP metric is 1.14 (smaller values are better for this metric). Per PG&E’s responses to Data Request CalAdvocates-PGE-NonCase-AWM-04092021, Question 1, April 23, 2021, the mean performance for the Gas Dig-in Reductions STIP metric over the past five years was 1.61, but the actual performance in 2019 was 1.10 and in 2020 was 1.11. PG&E is targeting better performance than its average over recent years but is targeting worse performance than the most recent two years.

Table 2								
Performance metrics that do not appear to target “improvement” and “excellence”								
Metric²⁹	Historical Data³⁰							2021 Targets
	2016	2017	2018	2019	2020	Mean	Median	
DCPP Reliability And Safety Indicator	95.0	93.5	95.0	97.5	92.5	94.7	95.0	87.5 ³¹
Serious Injuries Actuals	N/A	2	2	2	7	3	2	4 ³²
Serious Injuries And Fatalities Corrective Action Timeliness	N/A	100%	92%	94%	79%	91%	93%	92% ³³
Gas Customer Emergency Response	20.0	20.4	20.6	20.8	20.5	20.5	20.5	20.8 ³⁴
911 Emergency Response	98.29%	96.58%	97.92%	95.30%	97.19%	97.06%	97.19%	96.66% ³⁵
Customers Experiencing Multiple Interruptions	1.75%	1.48%	2.00%	2.39%	2.71%	2.07%	2.00%	2.63% ³⁶
Average Speed Of Answer For Emergencies	8	8	8	10	9	9	8	10 ³⁷

²⁹ Pacific Gas and Electric Company’s Executive Compensation Approval Request Pursuant to Public Utilities Code § 8389(e)(4) and (e)(6), March 2, 2021, Exhibits A and B.

³⁰ PG&E’s responses to Data Request CalAdvocates-PGE-NonCase-AWM-04092021, Questions 1 and 2, April 23, 2021.

³¹ DCPP Reliability And Safety Indicator STIP metric targets significantly lower performance than any of the past five years.

³² Serious Injuries Actuals STIP metric targets lower performance than three of the past four years (smaller values are better for this metric).

³³ Serious Injuries And Fatalities Corrective Action Timeliness STIP metric targets lower performance than two of the last four years.

³⁴ Gas Customer Emergency Response STIP metric targets the lowest performance among the last five years (smaller values are better for this metric).

³⁵ 911 Emergency Response STIP metric targets lower performance than three of the past five years.

³⁶ Customers Experiencing Multiple Interruptions STIP metric targets lower performance than four of the past five years (smaller values are better for this metric).

Table 2 Performance metrics that do not appear to target “improvement” and “excellence”								
Metric²⁹	Historical Data³⁰							2021 Targets
	2016	2017	2018	2019	2020	Mean	Median	
Non-GAAP Core Earnings Per Share*	N/A	N/A	N/A	N/A	\$1.61	\$1.61	\$1.61	\$0.95 to \$1.05 ³⁸
Customer Satisfaction Score*	76.1	75.6	77.3	72.6	72.0	74.7	75.6	75.3 ³⁹

* “Non-GAAP Core Earnings Per Share” is not a safety metric, but it falls under financial stability, which is an element of Public Utilities Code Section 8389(e)(4) as an element of executive incentive compensation structures. Cal Advocates does not understand “Customer Satisfaction Score” to relate to either public safety or utility financial stability.

PG&E’s performance milestones in its executive incentive compensation structure do not promote “continual *improvement* and *excellence* in performance over time.” As shown in the table above, nearly half⁴⁰ of the performance metrics PG&E includes in its STIP and LTIP do not appear designed to incentivize significant improvements in performance compared to historical data. For example, the 2021 milestones PG&E has set for the “Customers Experiencing Multiple Interruptions” STIP metric are 2.71% (threshold), 2.63% (target), and 2.39% (maximum). The threshold is set to match PG&E’s worst performance in this metric over the past five years, and the target is still below PG&E’s performance in four of the past five years. Even reaching PG&E’s maximum milestone for this metric would demonstrate lower performance than three of the past five years. Such unambitious goals do not promote safety as a priority as required by Public Utilities Code Section 8389(e)(4).

The WSD should defer action on PG&E’s executive incentive compensation structure and require PG&E to re-evaluate its performance metric milestones. PG&E should file a supplement that details how its metrics demonstrate improvement and excellence compared to past performance, with revised milestones for metrics where this cannot be demonstrated.

³⁷ Average Speed Of Answer For Emergencies STIP metric targets the lowest performance among the last five years (smaller values are better for this metric).

³⁸ Non-GAAP Core Earnings Per Share STIP metric range targets lower performance than 2020.

³⁹ Customer Satisfaction Score LTIP metric targets lower performance than three of the past five years.

⁴⁰ 10 out of the 21 total metrics included in PG&E’s executive incentive compensation structure.

SCE

THE WSD SHOULD REQUIRE SCE TO REVISE ITS METRICS SO THAT ALL SAFETY & RESILIENCY TARGETS ARE QUANTIFIABLE AND ENFORCEABLE.

Public Utilities Code Section 8389(e)(4) requires that the executive compensation plan include “incentive compensation based on meeting performance metrics that are measurable and enforceable.” In order to be measurable, the targets for performance metrics should be quantifiable numerical targets. However, the following SCE Safety & Resiliency metrics do not include numerical targets:

- Enhance worker safety programs;
- Improve public awareness of safety around electric lines and equipment;
- Improve Public Safety Power Shutoff (PSPS) customer experience;
- Electric Asset Data;
- Critical Business Records;
- Field and Work Management Tools; and
- Implement Contractor Management Plan.

SCE defines most of these metrics as an improvement in operations or as completing a program. However, SCE does not intend to establish numerical targets for these metrics, as they are described as “activity-based, qualitative success measures.”⁴¹ Additionally, for many of these metrics, SCE states, “Performance reviews focus on the meaningfulness of milestone activities... and the timely completion of milestones.”⁴² Without a transparent and measurable target, the WSD and stakeholders will not be able to objectively determine the degree to which SCE is improving in these metrics. Therefore, WSD should require SCE to provide measurable and quantifiable targets for the metrics listed above.

THE WSD SHOULD REQUIRE SCE TO REVISE THE TARGETS FOR COMPLIANCE-RELATED METRICS.

Public Utilities Code Section 8389(e)(4) states that the executive incentive compensation structure should “promote safety as a priority and to ensure safety and utility financial stability with performance metrics.” However, the target that SCE set for performing timely vegetation management trims to support compliance with General Order 95 is only 85%, with an

⁴¹ SCE response to data request CalAdvocates-SCE-NonCase-MY-04092021, Questions 2-8, April 26, 2021.

⁴² SCE response to data request CalAdvocates-SCE-NonCase-MY-04092021, Question 2c, April 26, 2021.

aspirational goal of only 90%.^{43,44} In response to a Cal Advocates' data request, SCE stated that it selected these performance values because it anticipates a 80% likelihood of timely completing 80% of trims, a 50% likelihood of timely completing 85% of trims, and only a 20% chance of timely completing 90% of trims.⁴⁵ The implication that a non-compliance rate of 15% (100% minus target of 85%) is an acceptable target should be of great concern to the Commission. SCE's Safety and Resiliency target performance values should not create the expectation that a certain level of non-compliance is acceptable. Therefore, Cal Advocates recommends that the WSD require SCE to either (1) remove the "performing timely trims on time to support compliance with General Order 95" from its list of metrics, or (2) revise the performance metric such that the minimum value is 100% compliance with General Order 95's vegetation management requirement.

THE WSD SHOULD REQUIRE SCE TO PROVIDE A BASIS FOR THE TARGETS FOR SAFETY & RESILIENCY METRICS.

Understanding the basis for the targets for SCE's Safety & Resiliency metrics is necessary for the WSD and the Commission to understand how those targets reflect an improvement in safety. For example, SCE has established a target of 90% for Hazard Tree & Drought Relief.⁴⁶ In response to a Cal Advocates' data request, SCE stated it selected its minimum, target, and aspirational performance values for two of its metrics based on its determination that there was an 80%, 50%, and 20% chance of reaching those values, respectively. It is unclear whether this same rationale applies to all of SCE's numerical performance values. However, clarification on how SCE selected its performance values is essential to determine the extent to which those values represent improvements to safety and resiliency. The WSD should require SCE to provide a detailed explanation of how it derived its minimum (threshold), target, and maximum (aspirational) targets for all metrics under the Safety & Resiliency category.

⁴³ *Southern California Edison Company's 2021 Executive Compensation Supplemental Submission*, p. 2.

⁴⁴ Per *Southern California Edison Company's 2021 Executive Compensation Supplemental Submission*, on-time trims are defined as being complete within 60 days of planned trim month if the tree is not subject to Environmental Holds and within 90 days of planned trim month if the tree is subject to Environmental Hold.

⁴⁵ SCE response to data request CalAdvocates-SCE-NonCase-MY-04092021, Question 9, April 26, 2021.

⁴⁶ *Southern California Edison Company's 2021 Executive Compensation Supplemental Submission*, p. 2.

SDG&E

THE WSD SHOULD REQUIRE SDG&E TO SET METRIC TARGETS WHICH REPRESENT AN INCREASE OVER PAST PERFORMANCE.

SDG&E provides no historical data for many of its proposed metrics.⁴⁷ This is the case for four of SDG&E's most important wildfire related metrics.⁴⁸ In those instances where SDG&E provides limited historical context, SDG&E's metric goals appear to represent a continuation of the status quo, rather than encouraging measurable increases in safety outcomes. For example, SDG&E proposes to use miles of vintage mains and services replaced through the Distribution System Integrity program as one metric related to gas safety. For 2021, SDG&E proposes a minimum goal of 42 miles replaced, a target of 47 miles, and a maximum of 52 miles. In comparison, SDG&E replaced 46.93 miles of pipeline in 2019, and 51.19 miles in 2020. This historical context makes it clear that rather than setting ambitious (i.e., meaningfully higher) goals for safety-related metrics, SDG&E is structuring status quo goals that can easily be reached.

As another example, SDG&E's proposed Wildfire Safety Communications metric measures the percentage of fire safety messages confirmed as received by customers that are sent prior to a PSPS event.⁴⁹ SDG&E's proposal includes a minimum goal of 76%, a target of 82%, and a maximum of 85%. In 2019, SDG&E's actual performance was 78.5%, and in 2020 it was 83.2%. SDG&E's minimum goal would represent a slight decline from 2019 performance, and its aspirational goal represents only a marginal improvement over 2020 performance.

Metric goal targets should promote meaningful safety improvement. The WSD should clarify to SDG&E and all utilities that setting metric goals should reflect the principles in Public Utilities Code Section 8389 and promote safety as a priority.

CONCLUSION

Cal Advocates respectfully requests that the Wildfire Safety Division adopt the recommendations discussed herein.

⁴⁷ SDG&E response to Data Request Data Request CALPA-SDGE-MK3-04082021, Q1, April 19, 2021.

⁴⁸ SDG&E provided no historical data on the following wildfire related metrics: Average Days for Tier 3 Level 1 Corrections, Vegetation Contacts in HFTD, PSPS Average Circuit Restoration Time (Hours) from "Okay to Patrol", and Wildfire Risk Events. SDG&E response to Data Request CALPA-SDGE-MK3-04082021, Q1, April 19, 2021.

⁴⁹ San Diego Gas & Electric Company's Documentation of Compliance with Executive Compensation Provisions of Public Utilities Code § 8389(e) and Wildfire Safety Division Guidance, Appendix 1, p. 1, January 15, 2021.

Respectfully submitted,

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