

PUBLIC UTILITIES COMMISSION

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**WSD Action Statement**

Date: February 26, 2021
Subject: Southern California Edison December 11, 2020, Change Order Report.

Summary

This Action Statement by the Wildfire Safety Division (WSD) approves Change Order 1 and defers Change Order 2 of Southern California Edison Company's (SCE) Change Order Report submitted on December 11, 2020. The WSD will evaluate Change Order 2 as part of the review of the 2021 Wildfire Mitigation Plan (WMP) Update.

SCE requests to modify two mitigation measures under the following categories.

1. Grid Operations and Protocols
2. Asset Management and Inspections
3. Vegetation Management and Inspections

Background and Standard of Review

Resolution WSD-002 established a process for electrical corporations to submit a Change Order Report to modify any initiatives in WMP before the 2021 WMP update. The WSD reviews an electrical corporation's Change Order Report to determine whether the electrical corporation has sufficiently provided the following information:

- a) Identification of the proposed change
- b) Justification of the proposed change
- c) The change in expected outcomes from the proposed change

Regarding criterion "c," the WSD evaluates whether the electrical corporation sufficiently explained how the proposed change will impact the outcomes of its wildfire mitigation programs and if the electrical corporation has undertaken (or committed to) the necessary steps to minimize adverse outcomes. To support its review of SCE's December 11, 2020, Change Order Report, the WSD engaged in follow-up conversations with SCE staff.

WSD Analysis of SCE's December 11, 2020, Change Order Report

1. Grid Operations and Protocols

a) Identification of the Proposed Change

SCE proposes to increase the scale of its Community Resource Center (CRC) initiative¹ by adding 33 CRC activation sites to its 2020 program target of 23 CRCs. With the change, SCE would have a total of 56 CRC sites available for activation during Public Safety Power Shutoff (PSPS) events. In its 2020 WMP, SCE anticipated this change stating that it “is reassessing [CRC] strategy to include improved coverage based on weather and circuit data history.”² In its Access and Functional Needs (AFN) Quarterly Update filed on September 1, 2020, SCE reiterated its intent to reassess and expand community assistance locations to address customer needs during a de-energization event.

To identify new CRC sites and determine appropriate services and amenities, SCE coordinated with Public Safety Partners, community-based organizations, and tribal governments in addition to applying “lessons learned” from previous CRC activations. The sites were identified based on forecasts of circuits with a high probability of impact from a PSPS event. The forecast “considered factors such as historical wind data, grid hardening efforts in progress, and whether the circuits serve vulnerable communities.”³ SCE considered several other factors for CRC site selection including, but not limited to, ease of entry and exit, reliability of network reception, and compliance with Americans with Disabilities Act.

The WSD finds that SCE has sufficiently identified the proposed change in its December 11, 2020, Change Order Report pursuant to Resolution WSD-002.

b) Justification of the Proposed Change

SCE explains that increasing CRCs provides a community resource for its customers during a PSPS event. SCE states that by increasing CRC locations in High Fire Risk Areas (HFRA), it can serve more customers and better mitigate the impacts of a PSPS event. To reduce the stress during a PSPS event, SCE explains that customer access to a CRC location is important for its medical baseline customers and customers with functional needs.

SCE justifies the increase of CRC locations as part of the provisions in its Community Resource Center Plan for PSPS Support pursuant to Phase Two of R.18-12-005. SCE states that the location of a CRC is based on the assessment of circuits most likely to be impacted by a PSPS event with consultation with impacted local governments. SCE further states that the increase

¹ See page 165-166, SCE's 2020-22 WMP (Revision 03) Section 5.3.6.5.1, and pages 2-5 of SCE's Change Order Request

² SCE's 2020 WMP at p. 166

³ SCE's Change Order Report, December 11, 2020, at p. 4.

of CRC locations complies with D.20-05-051 adopted on May 28, 2020, requiring additional guidelines for de-energization of electric facilities to mitigate wildfire risk.

WSD finds that SCE has provided sufficient justification for the proposed change in its December 11, 2020, Change Order Report.

c) The Change in Expected Outcomes from the Proposed Change and Budget Impact⁴

SCE asserts that CRCs “are a key resource for our customers” during “disruptive and stressful”⁵ PSPS events. SCE states that CRC locations reduce the impact of PSPS events on customers because its customers have a place to seek assistance and obtain information. The increase and availability of CRC locations will support more customer needs and reduce potential disruption from a PSPS event. With a CRC location in place, SCE can promptly activate an urban or remote site to provide temporary relief to customers to rest, recharge cell phones, use medical equipments, and obtain necessary amenities or resources.

SCE originally planned to spend \$2.3 million on CRCs in 2020 but spent \$1.1 million. The reduction in spending is because SCE does not incur any cost until the CRCs are used.

The WSD finds that SCE has sufficiently accounted for impacts resulting from the increase in scale and availability of its CRCs.

2. Asset Management and Inspections, Vegetation Management and Inspections

a) Identification of the Proposed Change

SCE proposes to increase the scale of several initiatives⁶ by conducting additional High Fire Risk Informed Inspections (HFRI) in 2020 and modify the number of additional inspections in 2021 and 2022.⁷ SCE's proposed change arose from risk model⁸ findings of “higher than usual level of fuel propagation.”⁹ From these findings, SCE identified seventeen Areas of Concern (AOCs) in its High Fire Risk Areas (HFRA); stating that the wildfire threat to the AOC was magnified by fall 2020 forecasts for increased high winds, extreme temperatures, and low humidity. Using a

⁴ Note that the budget does not refer to cost, or money approved, and the approval of a WMP or Change Order Report does not equate to approval of costs. See Resolution WSD-002, Ordering Paragraph 2, and Resolution WSD-004, Ordering Paragraph 5.

⁵ SCE's Change Order Report, December 11, 2020, at p. 5.

⁶ IN-1.1: High Fire Risk Informed Inspections – Distribution; IN-1.2: High Fire Risk Informed Inspections –Transmission; IN-5: High Fire Risk Informed Inspections – Generation; WMP Section 5.3.5.4: Emergency Response Vegetation Management due to Red Flag Warning or Other Urgent Conditions

⁷ SCE's 2020 WMP, Section 5.3.9.2, at p. 140.

⁸ SCE described these risk models and planned improvements in its Remedial Compliance Plan (RCP) in response to Deficiency Guidance-3.

⁹ SCE's Second Change Order Report, page 8.

dedicated team, SCE accelerated inspections, remediations, and vegetation trimming and removal within identified AOCs to mitigate the increased risk.

The WSD finds that SCE has sufficiently identified the proposed change in its December 11, 2020 Change Order Report pursuant to Resolution WSD-002.

b) Justification of the Proposed Change

Based on SCE's Fire Science team's "comprehensive analysis" of "emergent risk,"¹⁰ SCE identified specific locations with "higher than usual level of fuel propagation,"¹¹ necessitating increased risk mitigation strategies. SCE applied the following considerations to its risk models to identify the AOCs: last time the area has burned; fire history; vegetation type and amount; current and expected fuel and weather conditions; impact to communities and SCE infrastructure; circuit health and performance. SCE identified seventeen locations as AOCs; SCE performed inspections of all assets and remediated resulting Priority 1 and 2 notifications in these locations. SCE explains that considering the "urgency of the conditions,"¹² SCE increased, and expedited mitigation measures expedited to protect SCE's communities and facilities from increased ignition risk.

SCE considered not increasing the scale of these initiatives and allowing other mitigations (e.g., the HFRI process, engineering scoping, and grid hardening) to address the increased risk. However, SCE explains that there would have been an "unacceptable delay in finding and repairing issues"¹³ that could further expose its communities and infrastructure to wildfire-related risks. Similar to its September 11, 2020, Change Order Report, SCE states that its updated risk models have informed the need to increase the scope of inspections.

However, SCE has failed to demonstrate the effectiveness of its risk model—which is the foundation for this Change Order—in its 2020 WMP. The WSD is expecting to receive more details on the extent and reasoning behind the risk model outputs driving the increases to its inspection programs in SCE's 2021 WMP Update.

Since the changes described rely on the risk models still undergoing evaluation, WSD finds that SCE has not provided sufficient justification for the proposed change in its December 11, 2020, Change Order Report. The WSD will consider this portion of the Change Order Report during its 2021 WMP Update evaluation.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

c) The Change in Expected Outcomes from the Proposed Change and Budget Impact¹⁴

SCE explains that increased inspections will reduce wildfire risk by prioritizing inspection and associated remediations of structures in areas that have a high probability of ignition. SCE states that it will continue “to deploy a comprehensive inspection program for overhead facilities in HFRA to detect equipment issues and mitigate ignition risks that cannot be detected during compliance-driven inspections alone” and that “[t]he inspections will be more frequent than the compliance requirements... and will focus on identifying equipment or structure degradation due to natural wear and tear or emergent events...”¹⁵

Similar to its September 11, 2020, Change Order Report, SCE has not yet provided adequate information on its risk model changes for the WSD to assess the utilization of the risk models, including in the instances described within this Change Order.

As of October 2020, SCE had spent \$12.8 million on all initiatives related to this change; ¹⁶ SCE plans to spend an additional \$4.2 million by the end of 2020 for a total of \$17 million. The originally planned spend for the entirety of 2020 was \$3.6 million, meaning that SCE spent approximately four times the projected costs. SCE attributes the additional \$9.2 million to the increased frequency and scope of inspections in 2020 and explains that changes in targeted spend for the remainder of the 2020-2022 WMP cycle will be provided in its 2021 WMP Update.

SCE has adequately explained the impact and cost increase; however, because SCE has relied on risk models that have not been fully vetted by the WSD, the WSD defers approval of this Change Order to its review of SCE's 2021 WMP Update.

Conclusion

Based on SCE's Change Order Report, and subsequent discussions with SCE staff, the WSD finds that the change proposed in Change Order 1 to increase the scale of CRCs to 56 sites complies with Guidance Resolution WSD-002 and is approved.

However, SCE needs to provide further proof of justification for Change Order 2, regarding Asset/Vegetation Management and Inspections. The approval of Change Order 2 is hereby deferred until information on SCE's risk models is supplied as part of the 2021 WMP filing in response to the Remedial Compliance Plan Action Item SCE-2 and Quarterly Report Action Item SCE-14.

¹⁴ Note that the budget does not refer to cost, or money approved, and the approval of a WMP or Change Order Report does not equate to approval of costs. See Resolution WSD-002, Ordering Paragraph 2, Resolution WSD-004, Ordering Paragraph 5

¹⁵ SCE's Second Change Order, at p. 9.

¹⁶ SCE's Change Order Report, December 11, 2020, at p. 6.

The WSD expects that SCE will continue to intensify efforts to improve its wildfire reduction programs and evolve its strategies to achieve optimum outcomes of the initiatives.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Thomas Jacobs', with a stylized flourish at the end.

Caroline Thomas Jacobs
Director, Wildfire Safety Division
California Public Utilities Commission