

## PUBLIC UTILITIES COMMISSION

100 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 6, 2020

Dan Skopec  
Vice President, Regulatory Affairs  
San Diego Gas & Electric Company  
8330 Century Park Court, CP33A  
San Diego, CA 92123-1530

via e-mail transmission only  
dskopec@sdge.com

**SUBJECT: Wildfire Safety Division Guidance on Submission of 2020 Safety Certification Requests Pursuant to Public Utilities Code §8389(f)(2)**

Dear Mr. Skopec:

Pursuant to Public Utilities Code (Pub. Util. Code) § 8389(f)(2), electrical corporations seeking a subsequent safety certification to the initial safety certification issued pursuant to Pub. Util. Code §8389(f)(1) must submit a request to the Wildfire Safety Division prior to expiration of the initial safety certification. San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), and Pacific Gas and Electric Company (PG&E) submitted initial requests for safety certifications on July 18, 2019, July 19, 2019, and August 2, 2019, respectively. The California Public Utilities Commission (CPUC)'s Executive Director granted initial safety certifications to SDG&E on July 26, 2019, SCE on July 25, 2019, and PG&E on August 23, 2019. In order to receive a safety certification, an electrical corporation must provide documentation to satisfy the requirements of Pub. Util. Code §8389(e). A summary of requirements is as follows:

1. The electrical corporation has an approved Wildfire Mitigation Plan (§8389 (e)(1)).
2. The electrical corporation is in good standing, which can be satisfied by the electrical corporation having agreed to implement the findings of its most recent safety culture assessment, if applicable (§ 8389(e)(2)).
3. The electrical corporation has established a safety committee of its board of directors composed of members with relevant safety experience (§8389 (e)(3)).
4. The electrical corporation has established an executive incentive compensation structure approved by the Wildfire Safety Division and structured to promote safety as a priority and to ensure public safety and utility financial stability with performance metrics for all executive officers as defined in Pub. Util. Code §451.5 (§ 8389(e)(4) and (e)(6)).
5. The electrical corporation has established a board-of-directors level reporting to the CPUC on safety issues (§8389(e)(5)).
6. The electrical corporation is satisfactorily executing and in compliance with its approved Wildfire Mitigation plan, including the submission of Tier 1 advice letters containing information as required by this code section (§8389(e)(7)).

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In anticipation of the receipt of requests from the electrical corporations for subsequent safety certifications, the Wildfire Safety Division provides the following guidance:

1. Requests for safety certifications must be submitted to the Wildfire Safety Division via letter and must include all supporting documentation. Submissions should be sent to the following email address: [wildfiresafetydivision@cpuc.ca.gov](mailto:wildfiresafetydivision@cpuc.ca.gov), and must be served on the service list of Rulemaking 18-10-007. The Wildfire Safety Division will post safety certification requests on the CPUC's website [www.cpuc.ca.gov/wildfires](http://www.cpuc.ca.gov/wildfires).
2. To satisfy the requirement of § 8389 (e)(1), the Wildfire Safety Division requires that the electrical corporations have an approved 2020 Wildfire Mitigation Plan prior to issuance of a subsequent safety certification. The earliest the Wildfire Safety Division will approve or deny the 2020 Wildfire Mitigation Plans and the CPUC will consider ratification of the Wildfire Safety Division's actions is June 11, 2020. Therefore, electrical corporations should refrain from submitting requests for subsequent safety certifications until after the Wildfire Safety Division issues a final determination on the Wildfire Mitigation Plans and the Commission has ratified the Wildfire Safety Division's action.
  - a. Pursuant to §8389(f)(4), initial safety certifications remain in effect until the Wildfire Safety Division acts on an electrical corporation's request for a safety certification.
3. To satisfy the requirements of §8389(e)(2), if the electrical corporation has an approved safety culture assessment, the electrical corporation shall submit documentation to show that it is implementing the findings of the safety culture assessment. Absent a current safety culture assessment, the electrical corporation shall submit the following documentation:
  - a. Safety policies, including employee and contractor safety, gas pipeline and electrical safety.
  - b. Number of reported ignitions to date in 2020 pursuant to CPUC Decision 14-02-015.
  - c. Number of fatalities and/or structures damaged and/or destroyed by wildfires ignited by utility infrastructure and/or equipment.
  - d. Worker and contractor fatalities and incidents since issuance of the previous safety certification.
  - e. CPUC investigations and court actions, if any, related to safety violations of the electrical corporation, including ongoing and closed investigations; and,



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- f. Responses to any Wildfire Safety Division requests for remedies as a result of compliance findings from evaluation of the 2019 and 2020 Wildfire Mitigation Plans. for remedies
  4. To satisfy the requirements of § 8389(e)(3), the electrical corporation must submit the names and curriculum vitae of the safety committee, highlighting safety expertise.
  5. To satisfy the requirements of § 8389(e)(4) and (e)(6), the electrical corporation must have received approval from the Wildfire Safety Division of its 2020 executive compensation structure.
    - a. The Wildfire Safety Division is currently undertaking its review of SCE's and SDG&E's executive compensation filings, which were submitted on January 14, 2020 and January 27, 2020, respectively. The Wildfire Safety Division anticipates disposition of executive compensation filings prior to June 30, 2020.
    - b. PG&E's 2020 executive compensation structure is being reviewed in Investigation 19-09-016, *Order Instituting Investigation on the Commission's Own Motion to Consider the Ratemaking and Other Implications of a Proposed Plan for Resolution of Voluntary Case filed by Pacific Gas and Electric Company, pursuant to Chapter 11 of the Bankruptcy Code, in the United States Bankruptcy Court, Northern District of California, San Francisco Division, In re Pacific Gas and Electric Corporation and Pacific Gas and Electric Company, Case No.19-30088. A Proposed Decision published on April 20, 2020.*
  6. To satisfy the requirements of §8389(e)(5), the electrical corporation must submit documentation of board of director-level reporting to the CPUC on safety issues, including:
    - a. Name(s) and position(s);
    - b. Date the reporting protocol or schedule was established and the details of the reporting protocol; and
    - c. The date(s) on which the electrical corporation reported to the CPUC pursuant to this portion of the code, the form of report (verbal or written), and the contents of the report.
  7. To satisfy the requirements of §8389(e)(7), the electrical corporation shall include with its request all Tier 1 advice letters required by §8389(e)(7) submitted since issuance of the initial safety certification along with an explanation of how the information reported in the advice letters complies with §8389(e)(7). The electrical corporation shall also submit the results of any Wildfire Safety Division compliance audits of 2019 Wildfire Mitigation Plans, the

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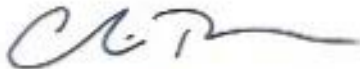
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§8389(e)(7) advice letters, or audits associated with 2020 Wildfire Mitigation  
Plans, if any, along with an explanation of remedies.

For questions regarding the guidance provided in this letter, please contact Melissa Semcer,  
Program Manager in the Wildfire Safety Division, at [melissa.semcer@cpuc.ca.gov](mailto:melissa.semcer@cpuc.ca.gov), with a copy  
to [wildfiresafetvdivision@cpuc.ca.gov](mailto:wildfiresafetvdivision@cpuc.ca.gov).

Sincerely,



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