

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
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CPUC-WSD ID: 2020-QR_SCE-01

Randy Lisbin
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SUBJECT: Notice of Non-Compliance (NONC) Identified During 2020 Wildfire Mitigation Plan (WMP) Quarterly Report (QR) Review

Dear Mr. Lisbin:

On behalf of the California Public Utilities Commission (CPUC or Commission), Wildfire Safety Division (WSD) staff reviewed SCE's QR submitted on September 9, 2020. The QR filing is a requirement of SCE's conditionally approved 2020 WMP, pursuant to Ordering Paragraph (OP) 7 of Resolution WSD-002. SCE's QR filing must address the Class B Deficiencies identified in Resolutions WSD-002 and WSD-004. Class B Deficiencies are defined as aspects of the WMP that are insufficient in detail or justification.¹

Resolution WSD-002, Section 5.3.2 at p.18 states:

"Class B deficiencies are of moderate concern and require reporting on a quarterly basis by the electrical corporation to provide missing data or update its progress in a quarterly report. Such information shall be submitted either one time in the first quarterly report or on an ongoing basis as specified by each condition. The quarterly reports shall be named "[Name]'s Quarterly Report on 2020 Wildfire Mitigation Plan for [period covered]." Each electrical corporation shall submit its initial quarterly report 90 days after the Commission ratifies the WSD Resolutions, and every three months thereafter. In some cases, individual Resolutions impose other additional reporting requirements, and the Resolutions contain relevant detail for those reports."

All Class B Deficiencies identified in WSD-002 and WSD-004 are accompanied by corresponding Conditions intended to resolve the deficiencies. On July 17, 2020, the WSD

¹ Resolution WSD-002 at p.17.

issued a letter titled, “Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002” (RCP & QR Guidance Letter).² The RCP & QR Guidance Letter details the WSD’s approach to assessing QRs, and outlines a set of criteria used to evaluate the sufficiency of SCE’s QR.

RCP & QR Guidance Letter at p. 5 and 6 states:

“Upon review of an electrical corporation’s QR, the WSD will issue one of the following determinations:

- *Sufficient – The QR is sufficient and no additional action is required;*
- *Insufficient – The QR is insufficient. The WSD may issue further guidance concurrent with a finding of insufficiency.”*

“If a QR is determined to be ‘Insufficient,’ the electrical corporation will be required to include supplementary documentation and clarifications, as provided by WSD guidance, in its subsequent QR. Repeated determinations of insufficiency will require the electrical corporation to remedy the issue in the 2021 WMP Update, and the WSD may recommend that the Commission take further action”

In accordance with WSD-002 OP 6, SCE must comply with Class B Conditions for its WMP to be deemed in compliance with Public Utilities Code Section (§) 8386 and the WSD’s WMP Guidelines. In order to remedy any of the insufficiencies identified, SCE must supply additional information as part of its 2021 WMP Update or, if not possible to meet this deadline, in a supplemental filing to its 2021 WMP Update submitted no later than February 26, 2021.

California Code, Public Utilities Code - PUC § 8386(c)(22) states that the wildfire mitigation plan shall include:

“Any other information the Wildfire Safety Division may require.”

As detailed in Table 1 below and outlined in WSD-002 and WSD-004, SCE is required to resolve the following Class B Deficiencies.

²https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WSD/WSD%20Guidance%20Statement%20on%20RCP%20QP%2020200717.pdf

Table 1: Class B Deficiencies from SCE's 2020 WMP

| # | Deficiency/Condition No. | Deficiency Title | Sufficiency Finding |
|----|--------------------------|---|-----------------------|
| 1 | Guidance-1 | Lack of risk spend efficiency (RSE) information | Insufficient |
| 2 | Guidance-2 | Lack of alternatives analysis for chosen initiatives | Sufficient |
| 3 | Guidance-4 | Lack of discussion on PSPS impacts | Insufficient |
| 4 | Guidance-5 | Aggregation of initiatives into programs | Sufficient |
| 5 | Guidance-6 | Failure to disaggregate WMP initiatives from standard operations | Sufficient |
| 6 | Guidance-7 | Lack of detail on effectiveness of “enhanced” inspection programs | Insufficient |
| 7 | Guidance-9 | Insufficient discussion of pilot programs | Insufficient |
| 8 | Guidance-10 | Data issues - general | Deferred ³ |
| 9 | Guidance-11 | Lack of detail on plans to address personnel shortages | Sufficient |
| 10 | Guidance-12 | Lack of detail on long-term planning | Sufficient |
| 11 | SCE-1 | Lessons learned not sufficiently described. | Insufficient |
| 12 | SCE-3 | Failure of commitment. | Insufficient |
| 13 | SCE-4 | SCE risk reduction estimation requires further detail. | Sufficient |
| 14 | SCE-5 | Detailed timeline of WRRM implementation not provided. | Insufficient |
| 15 | SCE-6 | SCE lacks sufficient weather station coverage. | Insufficient |
| 16 | SCE-7 | Does not describe whether fire-resistant poles were factored into risk analysis | Sufficient |
| 17 | SCE-8 | Lack of detail on hotline clamp replacement program. | Insufficient |
| 18 | SCE-9 | Lack of detail regarding Pole Loading Assessment Program. | Sufficient |
| 19 | SCE-10 | Lack of detail on effectiveness of inspection program QA/QC. | Insufficient |
| 20 | SCE-11 | Lack of explanation around shift to risk-based asset management. | Sufficient |


³The WSD is separately assessing the quality of geographic spatial information (GIS) data submissions required by Guidance-10, which will be addressed in GIS data quality control (QC) reports for each respondent electrical corporation.

| # | Deficiency/Condition No. | Deficiency Title | Sufficiency Finding |
|----|--------------------------|---|---------------------|
| 21 | SCE-14 | SCE relies only on growth rate to identify “at-risk” tree species. | Insufficient |
| 22 | SCE-15 | Lack of detail on how SCE addresses fast-growing species. | Insufficient |
| 23 | SCE-17 | Details not provided for collaborative research programs. | Insufficient |
| 24 | SCE-18 | Discussion of centralized data repository lacks detail. | Sufficient |
| 25 | SCE-19 | SCE does not sufficiently justify the relative resource allocation of its WMP initiatives to its covered conductor program. | Insufficient |
| 26 | SCE-20 | Potential notification fatigue from frequency of PSPS communications. | Sufficient |
| 27 | SCE-21 | Lack of sufficient detail on sharing of best practices. | Sufficient |
| 28 | SCE-22 | SCE does not describe resources needed on fuel reduction efforts. | Sufficient |

While SCE timely filed a QR, upon review by the WSD, 14 of its 28 responses to Class B Deficiencies were found to be insufficient, with an additional finding (for Guidance-10) deferred to a separate WSD report, as previously noted. The WSD determined that SCE failed to adequately provide the required information needed to properly inform and sufficiently address its Class B Deficiencies. Accordingly, the WSD has determined that SCE is out of compliance with California Public Utilities Code PUC § 8386, Resolution WSD-002, and Resolution WSD-004 for failure to adequately meet all of the requirements to address its Class B Deficiencies. The WSD may use this NONC or future such notices to support recommendations of enforcement action to the Commission.

Please refer to the QR Action Statement for more details on the insufficiencies for each individual Class B Condition, as well as guidance on how to respond to the NONC, including Action Items required to meet compliance. If you have any questions concerning this NONC, please contact Colin Lang at (916) 809-0063 or colin.lang@cpuc.ca.gov.

Sincerely,



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