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April 27, 2020

**ADVICE LETTER 3535-E
(U902-E)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: QUARTERLY ADVICE LETTER RELATED TO PUBLIC UTILITIES CODE
SECTION 8389(e)(7)**

Per Public Utilities Code Section 8389(e)(7), San Diego Gas & Electric Company (SDG&E or the Company) hereby submits to the California Public Utilities Commission (Commission) this Tier 1 Advice Letter (AL) that details the implementation of both its approved Wildfire Mitigation Plan and recommendations of the most recent safety culture assessment; a statement of recommendations of the Board of Directors Safety Committee (Safety Committee) meetings that occurred during the quarter;¹ and a summary of the implementation of the Safety Committee recommendations from SDG&E's previous advice letter.²

PURPOSE

The purpose of this AL is to comply with the requirements of Section 8389(e)(7), which were added to the Public Utilities Code by Assembly Bill (AB) 1054 on July 12, 2019. That statutory provision requires that SDG&E file a Tier 1 AL "on a quarterly basis that details the implementation of both its approved wildfire mitigation plan and recommendations of the most recent safety culture assessment, and a statement of recommendations of the board of directors safety committee meetings that occurred during the quarter." Section 8389(e)(7) also requires that the AL "shall summarize the implementation of safety committee recommendations from the electrical corporation's previous advice letter filing."

BACKGROUND

Governor Newsom signed AB 1054 into law on July 12, 2019. AB 1054 contains numerous statutory provisions and amendments designed to enhance the mitigation and prevention of catastrophic wildfires – including wildfires linked to utility equipment – in California. AB 1054 added Section 8389 to the Public Utilities Code. Section 8389(e) establishes the requirements for annual safety certifications³ and, *inter alia*, requires electrical corporations to establish a safety committee of its board of directors composed of members with relevant safety experience, establish board-of-director-level reporting to the Commission on safety issues, and file quarterly Tier 1 ALs as described above.

¹ This AL includes information relating to activities and events that occurred in the first quarter of 2020.

² AL 3496-E.

³ SDG&E received its initial safety certification from the Commission via a letter from the Executive Director dated July 26, 2019.

DISCUSSION**Implementation of SDG&E's Approved Wildfire Mitigation Plan**

SDG&E is tracking 42 progress metrics on 29 different mitigations proposed in its Wildfire Mitigation Plan. These mitigations involve a wide-array of topic areas such as: inspection and maintenance programs, infrastructure replacement programs, and vegetation management programs which all mitigate the risk of ignitions due to a fault on the electric system. SDG&E has mitigation programs to enhance situational awareness, which informs SDG&E's risk models and helps prioritize infrastructure replacement; and strategies and tools for real time decision making during emergency response or Power Safety Power Shutoff events. SDG&E also has mitigations that reduce the impact of a wildfire once an ignition has occurred, including high definition cameras, ground and aerial fire suppression resources, and a fuels management program.

In addition, SDG&E has implemented mitigations to the customer impacts associated with Power Safety Power Shutoff events including the installation of remote switches to limit the customers exposed to Power Safety Power Shutoff, the establishment of customer resource centers during Power Safety Power Shutoff events, and SDG&E's customer outreach programs.

In Attachment A hereto, SDG&E provides a detailed breakdown of the progress on all these individual mitigations. In summary, SDG&E has fire hardened 31 miles of its electric system and replaced over 600 structures within the high fire threat district from January 1, 2020 through March 31, 2020.

Implementation of SDG&E's Most Recent Safety Culture Assessment

SDG&E has not yet undergone a Commission-initiated safety culture assessment. Accordingly, SDG&E has no information to report regarding implementation. Once SDG&E's safety culture assessment is completed, SDG&E will include implementation information in future advice letters.

April 1, 2020 Safety Committee Meeting

The SDG&E Board Safety Committee⁴ advises and assists the Board of Directors in the oversight of safely providing electric and natural gas services to the Company's customers. The Safety Committee held a meeting on April 1, 2020 in which it received presentations from SDG&E management and employees. In the course of the meeting, the Safety Committee asked questions and engaged with SDG&E management and employees regarding the subjects of their presentations.

At the April 1 meeting, the Safety Committee received the following presentations from SDG&E management and employees regarding safety issues.

Caroline Winn, SDG&E's Chief Operating Officer, presented an update on the COVID-19 pandemic, and SDG&E's response to it. Ms. Winn and Tyson Swetek, SDG&E's Wildfire Mitigation Program Manager, then discussed the status of SDG&E's 2020 Wildfire Mitigation Plan, which includes 55 activities to mitigate wildfire risks, divided into 10 major categories. As discussed in further detail below, Ms. Winn then updated the Safety Committee on the status of SDG&E's follow-up actions with respect to the prior Safety Committee recommendations.

⁴ The Safety Committee members include Erbin B. Keith, Chairman; Robert J. Borthwick; and Trevor I. Mihalik.

Mike Schneider, SDG&E's Vice President of Risk Management & Compliance, and Ron Kiralla, SDG&E's Director of Safety, then presented SDG&E's 2020 Safety Management System Plan, which will establish a systematic enterprise-wide framework to manage and reduce risk and promote continuous improvement in safety performance through deliberate, routine, and intentional processes.

Will Speer, SDG&E's Vice President of Electric Engineering and Construction, provided an update on Pole Loading. After discussing how pole loading requirements have evolved over time, Mr. Speer discussed SDG&E's current approach to pole loading, and major company programs in which these issues are implicated.

Next, Rodger Schwecke, SDG&E's Senior Vice President – Gas Construction & Operations, made a presentation regarding SDG&E's Gas Safety Plan. Mr. Schwecke described the legislative mandates behind Gas Safety Plans, features of the plan, as well as updates to the plan.

Lastly, Mr. Keith provided the following Safety Committee recommendations to SDG&E:

1. SDG&E should study and report back on the effects of a communications network failure in its service territory during a major disaster, and how such a failure might be mitigated in order to ensure internal communications and coordination with emergency disaster relief officials.
2. SDG&E should make a presentation at the next Safety Committee meeting on the 2020 Utility Wildfire Mitigation Maturity Model Survey.
3. SDG&E should keep the Safety Committee apprised of its response to the COVID-19 pandemic, including the steps SDG&E is taking to ensure employee and customer safety.

Implementation of Recommendations of the Board of Directors Safety Committee in the Prior Quarter

As noted in AL-3496-E, SDG&E's Safety Committee provided the following recommendations to the company at the January 10, 2020 meeting:

1. The Safety Committee should meet with one or more outside consultants on safety issues in 2020.
2. SDG&E should study whether there are improvements that can be made to its processes and procedures regarding Public Safety Power Shutoff events to further leverage technology to enhance the company's internal and external distribution of information.

At the April 1 meeting, Ms. Winn provided an update on SDG&E's progress regarding these recommendations. Specifically, Ms. Winn reported as follows:

1. SDG&E understands that the Safety Committee has been considering consultants and that SDG&E management has been working to identify potential candidates on various issues. To date, this work remains ongoing.
2. SDG&E is working on technological innovations with respect to Public Safety Power Shutoff procedures. SDG&E hopes to have improvements in place ahead of the traditional fall onset of fire season in its service territory, although shelter-in-place

requirements and the response to the COVID-19 pandemic could impact timing. SDG&E currently has two teams working on innovations to further minimize the facilities that need to be de-energized and to enhance customer experiences.

At the April 1 meeting, Ms. Winn also referenced a prior Safety Committee Recommendation – that SDG&E should inform the Safety Committee Members of any significant safety event affecting SDG&E's customers or its workforce – and discussed the COVID-19 pandemic. The pandemic is a significant safety event affecting SDG&E's workforce and customers, and SDG&E continues to monitor the pandemic and develop best practices towards maintaining the health of its workforce and customers.

EFFECTIVE DATE

SDG&E believes this submittal is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. SDG&E respectfully requests that this AL become effective on April 27, 2020, which is the date of submittal.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than May 18, 2020, which is within 21 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of Energy Division at EDTariffUnit@cpuc.ca.gov of the Energy Division. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
E-mail: MCaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties to service lists R.18-10-007 and R.18-12-005, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by e-mail at SDG&ETariffs@semprautilities.com.

CLAY FABER
Director – Federal & CA Regulatory



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

General Order No. 96-B
ADVICE LETTER SUBMITTAL MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

Office of Ratepayer Advocates (ORA)

R. Pocta

Energy Division

M. Ghadessi

M. Salinas

L. Tan

R. Ciupagea

Tariff Unit

CA Energy Commission

B. Penning

B. Helft

Advantage Energy

C. Farrell

Alcantar & Kahl LLP

M. Cade

K. Harteloo

AT&T

Regulatory

Barkovich & Yap, Inc.

B. Barkovich

Braun & Blasing, P.C.

S. Blasing

D. Griffiths

CA Dept. of General Services

H. Nanjo

California Energy Markets

General

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

City of Poway

Poway City Hall

City of San Diego

F. Ortlieb

B. Henry

L. Azar

Y. Lu

D. Heard

Clean Energy Renewable Fuels, LLC

P. DeVille

Clean Power Research

T. Schmid

G. Novotny

Davis Wright Tremaine LLP

J. Pau

Douglass & Liddell

D. Douglass

D. Liddell

Ellison Schneider Harris & Donlan LLP

E. Janssen

C. Kappel

Energy Policy Initiatives Center (USD)

S. Anders

Energy Regulatory Solutions Consultants

L. Medina

Energy Strategies, Inc.

K. Campbell

EQ Research

General

Goodin, MacBride, Squeri, & Day LLP

B. Cragg

J. Squeri

Green Charge

K. Lucas

Hanna and Morton LLP

N. Pedersen

JBS Energy

J. Nahigian

Keyes & Fox, LLP

B. Elder

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

McKenna, Long & Aldridge LLP

J. Leslie

Morrison & Foerster LLP

P. Hanschen

MRW & Associates LLC

General

NLine Energy

M. Swindle

NRG Energy

D. Fellman

Pacific Gas & Electric Co.

M. Lawson

M. Huffman

Tariff Unit

RTO Advisors

S. Mara

SCD Energy Solutions

P. Muller

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

C. Frank

SPURR

M. Rochman

Southern California Edison Co.

K. Gansecki

TerraVerde Renewable Partners LLC

F. Lee

TURN

M. Hawiger

UCAN

D. Kelly

US Dept. of the Navy

K. Davoodi

US General Services Administration

D. Bogni

Valley Center Municipal Water Distr

G. Broomell

Western Manufactured Housing
Communities Association

S. Dey

Interested Parties

R.18-10-007

R.18-12-005

SDG&E Advice Letter 3535-E
April 27, 2020

ATTACHMENT A

SDG&E'S 2019 WILDFIRE MITIGATION PLAN PROGRESS UPDATE

SDG&E's 2020 Wildfire Mitigation Plan 1st Quarter Progress Update

(All data as of March 31, 2020)

2020 Wildfire Mitigation Plan Activities Summary



5.3.2 – Situational Awareness & Forecasting		5.3.4 – Asset Management & Inspections			5.3.5 – Vegetation Management & Inspections		
5.3.2.1 Camera network and advanced weather station integration	5.3.2.3 Wireless fault indicators	5.3.4.1 Detailed corrective maintenance program inspections	5.3.4.2 Transmission system inspections	5.3.4.4 Infrared inspections of distribution infrastructure	5.3.5.2 Detailed inspections of vegetation around distribution infrastructure – tree trimming	5.3.5.5 Fuels Management	
	5.3.2.4.1 Fire science and climate adaptation department	5.3.4.9.1 HFTD Tier 3 inspections		5.3.4.9.2 Drone assessments of distribution infrastructure	5.3.4.15 Substation system inspection	5.3.5.9 Other discretionary inspection of vegetation around distribution infrastructure – Enhanced inspections, patrols, and trims	5.3.5.20 Vegetation management to achieve clearances around electric infrastructure – Pole brushing
5.3.3 – Grid Design & System Hardening							
5.3.3.1 SCADA Capacitors	5.3.3.2 Advanced protection	5.3.3.3 Distribution overhead system hardening	5.3.3.6 Pole replacement and reinforcement	5.3.3.7 Expulsion fuse replacement	5.3.3.8.1 PSPS sectionalizing enhancements	5.3.3.8.2 Microgrids	5.3.3.10 Hotline clamps
5.3.3.11.1 Customer resiliency programs	5.3.3.11.2 Expanded generator grant program	5.3.3.11.3 Whole house generator program	5.3.3.16 Strategic undergrounding	5.3.3.17.1 Overhead transmission fire hardening	5.3.3.17.2 Cleveland National Forest fire hardening	5.3.3.18.1 Distribution communications reliability improvements	5.3.3.18.2 Lightning arrester removal and replacement

Complete
 Ahead of Plan
 On Track
 Off Track

Q1 Activity Status vs 2020 Goals

5.3.2 – Situational Awareness and Forecasting

5.3.2.1

0

Weather stations installed

4

Cameras installed

Camera network and advanced weather station integration

Volume vs 2020 Goal: 0 of 20 weather stations installed (10%), 4 of 4 cameras installed (100%)

Key Actions: Current weather stations are being fielded before further installation.

5.3.2.3

0

WFI's installed

Wireless fault indicators

Volume vs 2020 Goal: 0 of 500 WFI's installed (0%)

Key Actions: Construction scheduled to start in May 2020.

5.3.2.4.1

1

Fire Science & Innovation Lab

Fire science and climate adaptation department

Volume vs 2020 Goal: 1 of 1 fire science and innovation lab

Key Actions: 2020 goal has been met in Q1 by the establishment of key academic collaborators in the innovation lab and beginning the development of our SOWs with UC San Diego and San Jose State University.

Q1 Activity Status vs 2020 Goals

5.3.3 – Grid Design and System Hardening (1 of 2)

5.3.3.1
0
SCADA capacitors installed

SCADA Capacitors
Volume vs 2020 Goal: 0 of 30 SCADA capacitors installed (0%)
Key Actions: Jobs in design. Issue for construction is scheduled for July 2020.

5.3.3.3
0 **6.8**
CC OH

Distribution overhead system hardening
Volume vs 2020 Goal: 0 of 1 mile hardened with covered conductor (0%), 6.8 of 102 miles hardened (7%)
Key Actions: Covered conductor project to start in late 2020 on circuit 78. Approximately 43 miles currently under construction between the FiRM and PRiME programs.

5.3.3.7
637
Fuses replaced

Expulsion fuse replacement
Volume vs 2020 Goal: 637 of 3,000 fuses replaced (21%)
Key Actions: Program is on time and on target for completion before end of 2020.

5.3.3.8.2
0
Microgrids installed

Microgrids
Volume vs 2020 Goal: 0 of 3 microgrids installed (0%)
Key Actions: Two projects in execution, and one project in development. Substantial progress was made on the Cameron Corners Micro Grid Project in 2019, it will be completed in 2020.

5.3.3.2
0 **0**
Cir. Subs.

Advanced protection
Volume vs 2020 Goal: 0 of 8 circuits enabled (0%), 0 of 6 substations enabled (0%)
Key Actions: Ongoing work in advanced protection may put project projections ahead of schedule by year end. Currently 8 substations and 13 circuits are in the construction phase.

5.3.3.6
180
Poles replaced

Pole replacement and reinforcement
Volume vs 2020 Goal: 180 of 670 poles replaced (27%)
Key Actions: Program is on time and on target for completion before end of 2020.

5.3.3.8.1
0
Switches installed

PSPS sectionalizing enhancements
Volume vs 2020 Goal: 0 of 7 sectionalizing devices installed (0%)
Key Actions: 5 of 7 switches are currently in construction.

5.3.3.10
72
HLC's replaced

Hotline clamps
Volume vs 2020 Goal: 72 of 1,650 hotline clamps replaced (4%)
Key Actions: Program is on time and on target for completion before end of 2020.

Q1 Activity Status vs 2020 Goals

5.3.3 – Grid Design and System Hardening (2 of 2)

5.3.3.11.1
0 MBL
8 CRC **0** CCI
Customer resiliency programs
Volume vs 2020 Goal: 0 of 1250 medical baseline generators, 8 of 8 Community Resource Centers, and 0 of 4 community and critical infrastructure generators leased
Key Actions: Medical baseline generators are scheduled for delivery to SDG&E in June 2020. Contract negotiations are underway in the leasing of generators for community and critical infrastructure.

5.3.3.11.3
0
Generators
Whole house generator program
Volume vs 2020 Goal: 0 of 300 generators
Key Actions: This project is in scope development. An update will be available in the Q2 report.

5.3.3.17.1
8.1 OH
0 UG **4** UB
Overhead transmission fire hardening
Volume vs 2020 Goal: 8.1 of 20 OH miles (41%), 0 of 6 UG miles (0%), 4 of 9 miles distribution underbuilt (43%)
Key Actions: Pending advice letter approval UG construction will begin in late 2020.

5.3.3.18.1
6
Base Stations installed
Distribution Communications Reliability Improvements
Volume vs 2020 Goal: 6 of 25 base stations installed
Key Actions: Program is on time and on target for completion before end of 2020.

5.3.3.11.2
0
Generators
Expanded generator grant program
Volume vs 2020 Goal: 0 of 130 generators
Key Actions: This project is in scope development. An update will be available in the Q2 report.

5.3.3.16
.1
Miles UG
Strategic undergrounding
Volume vs 2020 Goal: .1 of 10 miles undergrounded (1%)
Key Actions: 3.4 mi of trenching work has been completed.

5.3.3.17.2
4.4 T OH **0** D OH
7.2 D OH w/ T **0** D UG
Cleveland National Forest fire hardening
Volume vs 2020 Goal: 4.4 of 26 transmission OH miles (17%), 0 of 28 distribution OH miles (0%), 7.2 of 25 distribution OH with associated transmission miles (29%), and 0 of 14 distribution UG miles (0%)
Key Actions: The 7.2 miles of distribution Overhead that has been installed is underbuilt associated with the 4.4 miles of transmission installed.

5.3.3.18.2
0
Lightning Arrestors removed and replaced
Lightning arrestor removal and replacement
Volume vs 2020 Goal: 0 of 0 lightning arrestors removed and replaced.
Key Actions: This program will begin construction in 2021 and will replace approximately 2,772 lightning arrestors by the end of 2022.

All data is up to date as of March 31, 2020

Q1 Activity Status vs 2020 Goals

5.3.4 – Asset Management and Inspections

5.3.4.1

5,244

Detailed Inspections

Detailed corrective maintenance program inspections

Volume vs 2020 Goal: 5,244 of 17,500 inspections (30%)

Key Actions: Program is on time and on target for completion before end of 2020.

5.3.4.2

27
Visual

0
Infrared

16
Detailed

0
Aerial

Transmission system inspections

Volume vs 2020 Goal: 27 of 117 visual inspections (23%), 0 of 113 infrared inspections (0%), 16 of 41 detailed inspections (39%), and 0 of 27 aerial inspections (0%)

Key Actions: Infrared and Aerial inspections are expected to be performed between July-September 2020.

5.3.4.4

0

Infrared Inspections

Infrared inspections of distribution infrastructure

Volume vs 2020 Goal: 0 of 8,500 inspections (0%)

Key Actions: Inspections scheduled to begin in late March 2020.

5.3.4.9.1

11,372

HFTD Tier 3 Inspections

HFTD Tier 3 inspections

Volume vs 2020 Goal: 11,372 of 11,864 inspections (96%)

Key Actions: Remaining HFTD Tier 3 inspections scheduled to be completed prior to the start of fire season.

5.3.4.9.2

9,371

Drone Inspections

Drone assessments of distribution infrastructure

Volume vs 2020 Goal: 9,371 of 40,500 inspections (23%)

Key Actions: Program is on time and on target for completion before end of 2020.

5.3.4.15

83

Substation Inspections

Substation system inspection

Volume vs 2020 Goal: 83 of 330 inspections (25%)

Key Actions: 52 HFTD Tier 2 and 19 HFTD Tier 3 substations have been inspected YTD. Program is on time and on target for completion before end of 2020.

Q1 Activity Status vs 2020 Goals

5.3.5 – Vegetation Management and Inspections

5.3.5.2

97,672

Trees Inspected

Detailed inspections of vegetation around distribution infrastructure – Inventory Tree Inspections

Volume vs 2020 Goal: 97,672 of 455,000 tree inspections (22%)
Key Actions: This goal is specific to Inventory Tree Inspections. Program on target for 2020.

5.3.5.5

0

Pole vegetation thinned

Fuels Management

Volume vs 2020 Goal: 0 of 545 pole vegetation thinned
Key Actions: This project is in scope development and may cause a shift in the goal of 545 poles. An update will be available in the Q2 report.

5.3.5.9

2,031

Trees trimmed or removed

Other discretionary inspection of vegetation around distribution infrastructure – Enhanced inspections, patrols, and trims

Volume vs 2020 Goal: 2,031 of 17,000 trees trimmed or removed (12%)
Key Actions: Enhanced Vegetation Management HFTD (trim or remove) - on time and on target for 2020

5.3.5.20

10,400

Poles brushed

Vegetation management to achieve clearances around electric infrastructure – Pole brushing

Volume vs 2020 Goal: 10,400 of 35,500 poles brushed (29%)
Key Actions: Program is on time and on target for completion before end of 2020.