

PUBLIC UTILITIES COMMISSION

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December 30, 2020

Wildfire Safety Division Evaluation of San Diego Gas & Electric Company's Remedial Compliance Plan

The Wildfire Safety Division (WSD) finds that San Diego Gas & Electric's (SDG&E) Remedial Compliance Plan (RCP) is Insufficient. WSD reviewed SDG&E's RCP in accordance with guidance set out in Resolution WSD-002, Resolution WSD-005, and the WSD letter titled "Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002," provided to electrical corporations on July 17, 2020.¹

1. Introduction

These findings act on the Remedial Compliance Plan (RCP) submitted by SDG&E on July 27, 2020. RCP submittals were required in the Wildfire Safety Division's (WSD) "Conditional Approval" of SDG&E's 2020 Wildfire Mitigation Plan (WMP). RCPs were required to address all Class A deficiencies identified by the WSD in its review of SDG&E's 2020 WMP. In this document, the WSD issues its determination of whether SDG&E's RCP is "Sufficient" or "Insufficient." In accordance with the letter titled "Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002" (RCP & QR Guidance Letter) issued by the WSD on July 17, 2020, if an RCP is deemed "Sufficient" no further action related to the RCP is required; however, in the event that an RCP is found "Insufficient," the WSD may provide further direction on necessary actions SDG&E must take to deliver a sufficient RCP and recommend potential enforcement action.

The WSD finds that SDG&E's RCP is Insufficient. SDG&E was required to satisfy the Class A deficiencies shown in Table 1 and set forth in Resolution WSD-002 and Resolution WSD-005.

Table 1: Class A Deficiencies from SDG&E's 2020 WMP

Deficiency/Condition No.	Class	Deficiency Title	Sufficiency Finding
Guidance-3	A	Lack of risk modeling to inform decision-making.	Insufficient
SDGE-13	A	Lack of risk reduction or other supporting data for increased time-of-trim clearances.	Insufficient

Due to the WSD's determination that SDG&E's RCP is Insufficient, in its 2021 WMP update, SDG&E is required to address all Actions identified in Section 5.1 of this document. Nothing in this document should be construed as a decision by WSD or the CPUC not to pursue other compliance or enforcement mechanisms if appropriate.

¹ https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WSD/WSD%20Guidance%20Statement%20on%20RCP%20QP%2020200717.pdf

2. Background

On February 7, 2020, electrical corporations submitted their 2020 WMPs in accordance with the 2020 WMP Guidelines issued through an Administrative Law Judge (ALJ) Ruling on December 16, 2019. Pursuant to its statutory mandate, the WSD reviewed and issued its disposition of electrical corporation's 2020 WMPs via the 2020 WMP Resolutions.² Upon review of electrical corporations' 2020 WMPs, the WSD identified several elements that were missing or inadequate in the filings. Each of these issues was identified as a "Deficiency." A corresponding "Condition," intended to remedy the identified deficiency, was imposed on the electrical corporation as part of the WSD's "Conditional Approval" of 2020 WMPs. Each deficiency and associated condition were categorized into one of the following classifications, with Class A being the most serious:

- **Class A** - Aspects of the WMP are lacking or flawed;
- **Class B** - Insufficient detail or justification provided in WMP; and
- **Class C** - Gaps in baseline or historical data, as required in 2020 WMP Guidelines.

Consequently, upon review of SDG&E's 2020 WMP, the WSD issued a "Conditional Approval." The Conditional Approval requires SDG&E to satisfy the set of conditions set forth in Resolution WSD-002 and Resolution WSD-005. Table 2 below presents a summary of the number of conditions, grouped by classification.

Class A conditions are intended to address aspects of electrical corporations' 2020 WMPs which the WSD found lacking or flawed and were of highest concern. Class A conditions require each electrical corporation to file an RCP, which is broadly defined in Resolution WSD-002 as follows:

An RCP must present all missing information and/or articulate the electrical corporation's plan, including proposed timeline, to bring the electrical corporation's WMP into compliance.

Pursuant to Ordering Paragraph (OP) 7 of Resolution WSD-002, SDG&E was required to submit an RCP within 45 days of California Public Utilities Commission's (CPUC or Commission) ratification of SDG&E's 2020 WMP Resolution, WSD-005. The Commission ratified the 2020 WMP Resolutions³ on Thursday, June 11, 2020; therefore, SDG&E was required to submit an RCP by Monday July 27, 2020. SDG&E timely submitted its RCP on Monday, July 27, 2020. Public comment on electrical corporations' RCPs were submitted on August 10, 2020 by the Commission's Public Advocates Office, Mussey Grade Road Alliance, and Protect Our Communities Foundation. SDG&E submitted reply comments August 17, 2020.

² These included Resolutions WSD-002, WSD-003, WSD-004, WSD-005, WSD-007, WSD-008, WSD-009, and WSD-010.

³ These included Resolutions WSD-002, WSD-003, WSD-004, WSD-005, WSD-007, WSD-008, WSD-009, and WSD-010.

Table 2: 2020 WMP Resolutions - Conditions Summary for SDG&E

Condition Class	WSD-002	WSD-005	Total
Class A	1	1	2
Class B ⁴	10 (1)	14 (0)	24 (1)
Class C	1	1	2
Total	12	16	27

3. Summary of WSD's Assessment of RCPs

An RCP's fundamental intent is for electrical corporations to present a plan to resolve WMP deficiencies with the level of specificity, detail, and scope outlined in the respective condition. Accordingly, the WSD has determined whether an electrical corporation's RCP filing sufficiently resolves the deficiency and meets the intent of the condition. To make this determination, the WSD looked to Resolution WSD-002 and the factors used to evaluate 2020 WMPs. While all four factors used in evaluating WMP approval were not applicable⁵, the WSD evaluated the sufficiency for each Class A deficiency and RCP filing in accordance with the following factors:

- Completeness – The RCP is complete and comprehensively responds to the condition;
- Effectiveness - The plans and remedies outlined in the RCP will reasonably resolve the deficiency;
- Feasibility - The plans and remedies outlined in the RCP are reasonably feasible considering the electrical corporation's resources and the scope and timeline identified.

Outlined in Table 3, below, are the approval criteria the WSD used to evaluate whether an RCP filing is sufficient. In this document, the WSD issues one of the following determinations:

- Sufficient - The RCP is sufficient, and no further action is required;
- Insufficient - The RCP is insufficient.

If the WSD finds that an RCP is Insufficient, the WSD will require the electrical corporation to address the insufficiencies in its 2021 WMP update, in accordance to the specific actions outlined in Section 5.1 of this document. The WSD will assess the responses in its evaluation of the 2021 WMP update and will factor noncompliance into its review and may recommend enforcement action be taken by the CPUC.

⁴ Values in parenthesis indicate the number of Class B deficiency and condition pairs that require ongoing reporting. All other Class B deficiency and condition pairs will be addressed in the electrical corporations' first quarterly report submission.

⁵ Forward-looking growth is not applicable to assessing sufficiency of RCPs because the RCP, by its nature, is intended to address a current plan of action to address lacking or flawed aspects of 2020 WMPs and does not require an assessment of maturity growth.

Table 3: RCP Evaluation Criteria

Category	Criteria
Completeness	Does the RCP provide all the information identified in the condition?
	If not, does the utility provide an explanation of why the RCP is incomplete and a timeline for when the completed information will be provided?
	Does the RCP include a timeline for implementation and completion of remedial actions?
Effectiveness	Does the RCP identify reasonably effective plans and remedies to resolve the identified deficiencies?
	Is the timeline identified in the RCP sufficient, given the importance of the deficiency and its potential impact on wildfire risk?
Feasibility	Does the utility reasonably have the resources required to execute the plans and remedies in its RCP in accordance with the identified scope and timeline?

4. Public and Stakeholder Comments

On August 10, 2020, Mussey Grade Road Alliance, the Public Advocates Office, and Protect Our Communities Foundation submitted comments on SDG&E’s RCP. Provided below is a non-exhaustive summary of the major issues raised in stakeholder comments.

Mussey Grade Road Alliance

- SDG&E’s discussion of risk modeling is abbreviated and lacks detail. WSD should require additional detail from SDG&E regarding its risk estimation programs. SDG&E’s offering is inadequate.
- The new Wildfire Next Generation System (WiNGS) initiative that “determines each segment’s wildfire and Public Safety Power Shutoff (PSPS) risk level,” has not been accepted by WSD or the Commission; in fact no methodology has been accepted for determining the risk from power shutoff to the public. If SDG&E intends WiNGS to reduce PSPS risks, it will need to demonstrate how it is modeling these risks.
- WSD should set up a public design review for SDG&E’s WiNGS initiative in order to ensure that it will meet the requirements of the WSD and the Commission. An early design review will help to ensure that SDG&E’s new program will meet regulator and public expectations.
- SDG&E, PG&E, and SCE should, separately from the extended vegetation clearance data, collect and coordinate “fall-in”/“blow-in” data that relates to trees outside of the typical clearance distances, as these are also relevant to utility fire ignition risk.

Public Advocates Office (California Office of Public Advocates)

- SDG&E’s research plan for a study of the effectiveness of extended vegetation clearances is insufficient because it is incomplete and will not be effective. WSD should require SDG&E to provide a detailed research plan.

WSD Evaluation of SDG&E's RCP

- SDG&E does not explain how its risk modeling and risk assessment programs inform the individual initiatives included within the WMP. WSD should direct SDG&E to provide a new remedial filing addressing how it applies risk-based decision-making to each WMP initiative. SDG&E should follow the format of SCE's submission.
- The WSD should issue a finding that SDG&E's Remedial Compliance Plan is insufficient to resolve both underlying deficiencies: Condition SDGE-13 and Condition Guidance-3.
- The Commission or the WSD should impose sanctions on SDG&E related any continuing failure to comply with Condition SDG&E-13 and Decision (D.) 19-05-039.

The Protect Our Communities Foundation

- SDG&E's RCP violates the Commission's direct orders and should result in the rejection of SDG&E's 2020 WMP.
- SDG&E failed to address risk-related deficiencies and has repeatedly failed to include in its WMP "all relevant wildfire risk and risk mitigation information" required by the S-MAP and RAMP decisions,¹⁵ including D.14-12-025, D.16-08-018, and D.18-12-014.
- SDG&E has not and cannot show that its tree removal program is exempt from the California Environmental Quality Act (CEQA).
- SDG&E's vegetation management section of its RCP admits SDG&E has failed to comply with D.19-05-039 and Condition SDGE-13(i).

5. Discussion of the WSD's RCP Assessment

In accordance with guidance set out in Resolution WSD-002 and the RCP & QR Guidance Letter, in Table 4 below the WSD presents its findings of sufficiency for SDG&E's RCP in totality.

Table 4: Review of SDG&E's RCP by Evaluation Criterion

Category	Criteria	Yes	No
Completeness	Does the RCP provide all the information identified in the condition?		X
	If not, does the utility provide an explanation of why the remedy is incomplete and a timeline for when the completed information will be provided?		X
	Does the RCP include a timeline for implementation and completion of remedial actions?	X	
Effectiveness	Does the RCP identify reasonably effective plans and remedies to resolve the identified deficiencies?		X
	Is the timeline identified in the RCP sufficient, given the importance of the deficiency and its potential impact on wildfire risk?	X	
Feasibility	Does the utility reasonably have the resources required to execute the plans and remedies in its RCP in accordance with the identified scope and timeline?	X	

Accordingly, the WSD finds SDG&E's RCP to be Insufficient.

WSD requests clarification or additional information to remediate its finding of Insufficient RCP elements. In its 2021 WMP update, SDG&E is required to address all Actions identified in Section 5.1.

5.1. Discussion of the WSD's Condition Assessment

Pursuant to WSD-002, these findings and the subsequent discussion comprise the WSD's review of SDG&E's RCP, which includes input from the public and other stakeholders. The following is an assessment of SDG&E's response to each Class A condition, as presented in its RCP.

Provided in the discussion are the detailed elements pertaining to the requirements for each SDG&E Class A condition, with a corresponding required "action" to sufficiently address the scope, purpose, and intent of the specific element in each applicable condition. Each action identified in the subsequent sections are individually numbered and must be completely addressed in SDG&E's 2021 WMP update to meet WSD's expectation of a sufficient RCP.

5.1.1. Condition (Guidance-3, Class A):

Lack of Risk Modeling to Inform Decision-Making

WSD finding for SDG&E's Condition Guidance-3 response: Insufficient

Below is an analysis of the itemized requirements within Condition Guidance-3, corresponding discussions of specific insufficiencies in SDG&E's response to Guidance-3, and the necessary actions required to make SDG&E's RCP Sufficient:

Each electrical corporation shall submit in its remedial correction plan (RCP) the following:

i. How it intends to apply risk modeling and risk assessment techniques to each initiative in its WMP, with an emphasis on much more targeted use of asset management, vegetation management, grid hardening and PSPS based on wildfire risk modeling outputs;

SDG&E briefly discusses the development of its Wildfire Next Generation System (WiNGS) model, which it indicates builds upon the Risk Spend Efficiency (RSE) methodology demonstrated in its Risk Assessment Mitigation Phase (RAMP) Proceeding and WMP. The WSD notes that this WiNGS model was not included in SDG&E's 2020 WMP and is yet to be vetted or subjected to stakeholder review and analysis. It was not until a briefing provided to Commission staff by SDG&E on August 28, 2020 that the WSD became aware of this new SDG&E risk model. Regardless of SDG&E's presentation, the information provided in its RCP lacks any depth of detail and does not provide sufficient insight or transparency regarding the nature of the WiNGS risk model or how it applies to SDG&E's decision-making regarding asset management, vegetation management, grid hardening, or PSPS. Moreover, while the WiNGS model represents the "next generation" of SDG&E's risk modeling approach, it provides no insight into the decision-making process that supported its selected portfolio of initiatives presented in SDG&E's 2020 WMP. The WSD finds SDG&E's response to this condition item incomplete and insufficient.

Action SDGE-1: In its 2021 WMP update, SDG&E shall provide a high-level description of its risk-informed decision-making approach used to select the portfolio of mitigation initiatives presented in its 2020 WMP.

Action SDGE-2: In its 2021 WMP update, SDG&E shall provide initiative-level details on the current and future approaches to its decision-making in selecting WMP initiatives, identifying where systematic and programmatic advancements are expected. These initiative-level details shall minimally include: 1) an identification the specific risk being mitigated or problem being addressed, 2) how the initiative or program was selected, 3) how prioritization or targeting is approached for each initiative or program, 4) future plans to improve risk modeling for the initiative or program, and 5) a timeline for the implementation and updating of risk modeling to support the decision-making for each initiative or program. At a minimum, these details shall be provided for every initiative associated with asset management, vegetation management, grid hardening, and PSPS identified in SDG&E's 2020 WMP.

ii. Identify all wildfire risk analyses it currently performs (including probability and consequence modeling) to determine which mitigation is targeted to circuits and assets where initiatives will provide the greatest benefit to wildfire risk reduction;

SDG&E's response to this Condition item is incomplete. SDG&E gives few examples of risk analyses used to drive decision-making on the portfolio of initiatives presented in its 2020 WMP. SDG&E's WiNGS model is a proposed risk model that could be used for future decision-making on various WMP initiatives but is currently not in use. Additionally, SDG&E's RCP lacks any discussion on risk analyses it currently performs, aside from identifying a number of additional risk models and approaches (e.g. WRRM, PRiME, FiRM, and a common enterprise risk framework from its RAMP) that SDG&E indicates it will continue to use and "will ultimately be integrated with SDG&E's WiNGS model."⁶ SDG&E provides no additional detail regarding how this integration will be executed.

Action SDGE-3: In its 2021 WMP update, SDG&E shall provide a table describing its risk assessment techniques used for each initiative in the format used by Southern California Edison (SCE).⁷

iii. A timeline to leverage its risk modeling outputs to prioritize and target initiatives and set PSPS thresholds, including at least asset management, grid operations, vegetation management, and system hardening initiatives;

SDG&E's RCP provides a general 2020-2022 timeline for developing and implementing WiNGS. However, it is unclear what initiatives will be incorporated into WiNGS in 2021. A sufficient response to Action SDGE-1 will remedy the insufficiencies of item iii in Guidance-3.

⁶ SDG&E RCP at 2-3.

⁷ See SCE RCP at 9.

iv. How it intends to incorporate future improvements in risk modeling into initiative prioritization and targeting processes; and

SDG&E states that it “plans to improve [WiNGS] and expand it to evaluate other investment initiatives including vegetation management as well as PSPS operations.” However, it remains unclear which specific initiatives will be evaluated using WiNGS, how SDG&E will evaluate the effectiveness of WiNGS, and how SDG&E would approach or initiate improvements to WiNGS and its other risk models. A sufficient response to Action SDGE-1 will remedy the insufficiencies of item iv in Guidance-3.

v. How it intends to adapt its approach based on learnings going forward.

SDG&E says that it “will continue to work towards staying ahead and responding to lessons learned as they arise.” A stated commitment to improving WiNGS and risk analysis is not a plan. A sufficient response to Action SDGE-1 will remedy the insufficiencies of item in Guidance-3.

**5.1.2. Condition (SDGE-13, Class A):
Lack of Risk Reduction or Other Supporting Data for
Increased Time-of-Trim Clearances**

WSD finding for SDG&E's Condition SDGE-13 response: Insufficient

Below is an analysis of the itemized requirements within Condition SDGE-13, corresponding discussions of specific insufficiencies for SDG&E's response to SDGE-13, and the necessary actions required to make SDG&E's RCP Sufficient:

Condition (SDGE-13, Class A): SDG&E shall submit an RCP with a plan for the following:

i. Comparing areas with and without enhanced post-trim clearances to measure the extent to which post-trim clearance distances affect probability of vegetation caused ignitions and outages.

SDG&E's research plan for a study of the effectiveness of extended vegetation clearances is incomplete and ineffective. SDG&E provides minimal details on its methodology. SDG&E presents a rudimentary explanation of what data will be collected and how it will be compared, in contrast to submissions from other utilities.

Action SDGE-3: In its 2021 WMP update, SDG&E shall provide a detailed plan for how it intends to analyze and use extended vegetation clearance data, including specific statistical methods it expects to use, how it will control for environmental variables (e.g. wind, soil, elevation, and tree species), and how it will approach the collection and reporting of required data.

ii. Collaborating with PG&E and SCE in accordance with Conditions PG&E-26 and SCE-12 to develop a consensus methodology for how to measure post-trim vegetation clearance distance impacts on the probability of vegetation caused ignitions and outages.

SDG&E's research plan for a study of the effectiveness of extended vegetation clearances is incomplete. It is evident from the RCPs of SDG&E, SCE, and PG&E that there have been several meetings to establish standard metrics for this research plan, however, SDG&E has failed to develop or present a plan that includes eventual analysis or reporting of relevant data.

Action SDGE-4: In its 2021 WMP update, SDG&E along with PG&E and SCE shall submit a joint, unified plan that reflects collaborative efforts and contains uniform definitions, methodology, timeline, data standards, and assumptions.

6. Conclusion

Catastrophic wildfires remain a serious threat to the health and safety of Californians. Electric utilities must continue to make progress toward reducing utility-related wildfire risk. With the finding of "Insufficient" for SDG&E's RCP, the WSD intends to send a clear message to SDG&E that its WMP, RCP, and QRs must be of the highest quality and include sufficient detail and plans to facilitate transparency, allow for efficient review, and effectively implement potentially lifesaving wildfire risk mitigation initiatives. The WSD will continue to ensure SDG&E is held accountable for successfully executing the wildfire risk reduction initiatives presented in its 2020 WMP, RCP, and other required updates through the Division's continued audit and compliance work. As indicated in Section 5.1 above, SDG&E shall address the insufficient elements of its RCP submission by taking the actions identified by the WSD and presenting the required information and detail in its 2021 WMP update.

Finally, along with the issuance of this action statement, the WSD concurrently issues a Notice of Noncompliance document summarizing the findings and noncompliance issues detailed herein. The WSD notes that nothing in this action statement or the concurrent Notice of Noncompliance precludes the Commission from exercising its enforcement authority related to any findings or matters addressed in the instant document.

Sincerely,



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