

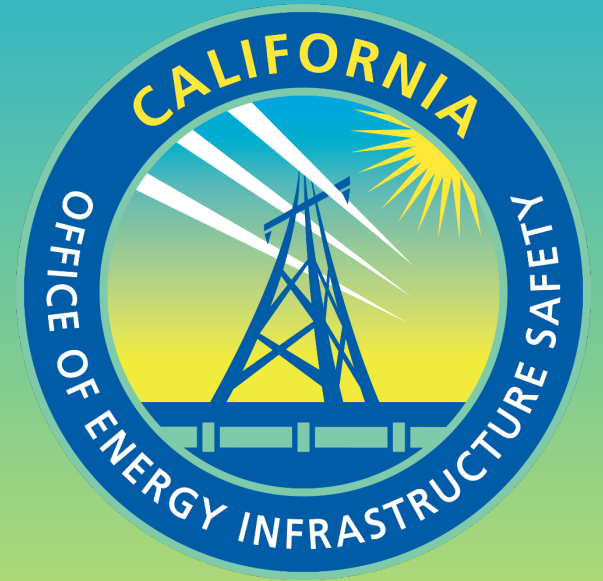
Revised 2022 Change Order Guidelines

Public Adoption Meeting
Office of Energy Infrastructure Safety
Tuesday November 8, 2022, 10:00 to 11:00 a.m.



Agenda

- Introduction from Energy Safety staff
- Public Comment on Draft Revised 2022 Change Order Guidelines
- Overview of the Change Order Guidelines
- Revision of the Change Order Guidelines
- Adoption
- Closing remarks





Public Comment

If you wish to comment:

- Press the “raise hand” button on Zoom
 - Participants will be unmuted in order of hands raised
- Dial-in participants need to press #2 to raise hand



Overview of the Change Order Guidelines

The Purpose of the Change Order Guidelines

- To provide guidance to electrical corporations for requesting approval of significant changes to Wildfire Mitigation Plans (WMPs) after the WMP is approved by Energy Safety.
 - Purpose of a change order
 - Criteria for significance
 - When to submit change order requests
 - How to submit change order requests
 - What to include with requests
 - Stakeholder comment period
 - Grounds for denial of a request

The Purpose of a Change Order

- After an electrical corporation's WMP is approved by Energy Safety, it may gain experience that causes it to want to seek to change approved mitigation initiatives.
- It must submit a change order to Energy Safety if it wants to significantly change approved mitigation initiatives.
 - Change should be based on an updated understanding of risk.

Criteria for a Change Order Request

- A change order is necessary if the change is “significant.”
- The criteria for “significance” includes the change’s initiative category & impact on its risk reduction value or strategic direction/purpose:
 - Categories:
 - Risk assessment and mapping; vegetation management and inspections; grid design and system hardening; grid operations; asset management and inspections; Public Safety Power Shutoff.
 - Impact of change:
 - An increase or decrease of more than 25% of an initiative’s risk reduction value based on an updated understanding of risk.
 - The change represents a significant shift in either the strategic direction or purpose of an initiative.

How to Submit Change Order Requests

- Requests must be submitted to Energy Safety's e-filing system in the 2022 Wildfire Mitigation Plans docket (#2022-WMPs).
- Electrical corporations must concurrently send all change order requests to the Department of Forestry and Fire Protection at CALFIREUtilityFireMitigationUnit@fire.ca.gov.

What to Include with Requests

- Brief description of the proposed change including:
 - The title of the initiative; page number(s) of description in the 2022 Update; whether proposed change is a change to an approach, a target, or both
- The planned expenditure for that initiative according to the 2022 Update including:
 - Percent of planned expenditure already spent; planned expenditure for the remainder of the current WMP cycle; if the expenditure amount is being redeployed, the amount being redeployed, from what budget to what budget
- Type of change proposed: increase in scale, decrease in scale, change in prioritization, change in timing, or change in the nature of the work.
- Expected outcome from the change within the current WMP cycle, including any reduction to wildfire risk or PSPS risk.

Stakeholder Comment Period

- Stakeholders may comment on change order requests within 20 days of the date the electrical corporation submits a change order request to Energy Safety's 2022-WMPs docket.
- The three-day deadline for discovery during the WMP or Update review period also applies during stakeholder review of change order requests.

Grounds for Denial of a Request


- Proposed change is not likely to reduce wildfire or PSPS risk over existing approved initiative.
- Proposed change does not respond to updated risk assessment and/or only responds to underperformance or overperformance for reasons unrelated to the risk assessment.
- Proposed change is too substantive for the change order process.



Revision to the Change Order Guidelines

When to Submit Change Order Requests - REVISED

- After an electrical corporation's WMP (or Update) is approved by Energy Safety.
- As soon as practicable after the utility determines a change is warranted.
- *Was: No later than 5:00 p.m. on November 1, 2022.*
 - **NOW: Electrical corporations must submit change order requests related to their 2022 Updates by 5:00 p.m. on November 1, 2022, or within 10 days of Energy Safety's approval of their 2022 Update, if the approval is issued after November 1, 2022.**

A landscape photograph showing rolling hills in shades of brown and tan, with patches of green vegetation. In the foreground, there are green fields and a small pond. Two large electrical transmission towers are visible, one on the left and one on the right, with power lines stretching across the scene. A large blue circle is superimposed in the center of the image, containing white text.

Adoption of the 2022 Change Order Guidelines & Closing Remarks



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