



Matthew Pender

Mailing Address
P.O. Box 7442
San Francisco, CA 94120

Street/Courier Address
77 Beale Street, 28th Floor
San Francisco, CA 94105

(415) 973-3604
Email: matthew.pender@pge.com

November 2, 2020

VIA E-MAIL

caroline.thomasjacobs@cpuc.ca.gov

Caroline Thomas Jacobs, Director
Wildfire Safety Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Pacific Gas and Electric Company's Comments on Draft Resolution WSD-011 and Associated Appendices Regarding 2021 Wildfire Mitigation Plans

Dear Ms. Jacobs:

Pacific Gas and Electric Company (PG&E) respectfully submits these comments on Draft Resolution WSD-011, which provides the Wildfire Mitigation Plan (WMP) Guidelines (2021 WMP Guidelines) for all Commission-jurisdictional utilities regarding their 2021 WMPs. PG&E appreciates the intention of the WSD in restructuring parts of the template for streamlined reporting and evaluation. PG&E, like the Commission and the WSD, is seeking transparency, consistency, and standards of reporting that are clear to all parties and that can be completed by all utilities. As part of our commitment to engaging with the Commission, WSD, and other parties, PG&E is submitting comments and suggested changes to Resolution WSD-011 below.

WMP Guidelines Overall Comments:

A) Focus on Critical Data and Reporting Cycles

The data required through the WMP proceeding has grown substantially from 2019 to 2020 to the proposed 2021 WMP Guidelines. There are good and strong reasons for this; data is the foundation of understanding risk and decision making. As parties work to improve their understanding of the wildfire situation, the need for data has grown. PG&E supports partnering with WSD, the other utilities, and third parties to identify the data that is of value and providing it on an appropriate timeframe. However, to allow utilities, the Commission and parties to focus on the valuable and important data, less important or unavailable data should be pruned from the requirements. Continual growth in the data simply spreads all parties thinner and thinner. The Wildfire Safety Advisory Board (WSAB) recognized this in their recommendation 1.4: "The 2021 WMP Guidelines should require simplified and streamlined reporting requirements to include the data that is **critical for WSD staff to complete its evaluation.**" (emphasis added).

While the WSD notes that this recommendation has been “fully incorporated,” it does not appear that the WSD has focused on only requiring data that is critical to complete the evaluation of the WMPs. Adopting this WSAB recommendation in full, and pruning the non-critical information from the process, would benefit all parties by allowing time and resources to focus on what is important and actionable. As currently required, too many tables and GIS files are submitted too frequently, which will make it difficult for parties to identify what can truly help move the needle on reducing wildfire risk.

There are many ways that the data requirements in the 2021 Guidelines (and the related, proposed quarterly reports) could be rationalized to focus on what is most important. Some examples of data that seem less valuable for evaluating the 2021 WMPs:

- Impacts to rates – the Commission has established that the WMP proceeding is not intended to address cost recovery. While we agree that initiative level cost forecasts are important to understanding risk spend efficiency and other valuable analysis, it is not clear how overall rate impacts from wildfire investments can meaningfully factor into the evaluation of the 2021 WMPs.
- Evacuation data – the utilities have already indicated that this data is not available and that community evacuations may not be a meaningful measure of the effectiveness of a utility’s WMP. This data should be eliminated in alignment with the WSAB’s recommendation.
- Quarterly updates – much of the data required in the proposed quarterly updates is likely unnecessary, will offer little additional insight and may bog parties down with more data to process than is necessary. One example is the current, quarterly requirement to update information on all WMP Initiatives (Table 12). Utility initiative planning is primarily performed on an annual basis and the data related to annual units, costs and the calculated Risk-Spend Efficiencies (RSE) are unlikely to be updated from quarter to quarter. Therefore, given the size and scope of Table 12, all parties would benefit if this table is only provided as part of the annual update filing and not on a more frequent basis.

The substantial growth in data requirements in the WMP process is creating resource challenges for all parties in this proceeding. Several parties in comments submitted on the first quarterly reports remarked that they did not have enough time to read all of the material provided. On the utility side, it is challenging to gather and provide the requested data due to the unique and technical nature of the systems used and subject matter experts available to produce the information. For example, qualified GIS experts to manage and extract detailed data from utility GIS systems are limited. The expanding data requirements are beginning to hamper the ability of PG&E’s valuable and limited subject matter experts to support operational needs as the requirement for quarterly data updates, even though only a very small amount of data will actually change from one quarter to the next, creates a substantial resource demand.

Complete, quality data submissions require time to develop and quality-check, even given the availability of adequately trained, qualified resources. Given the volume of data being proposed for inclusion in quarterly reports in 2021, both the GIS standards and the “non-spatial” data, the proposed schedule of providing only 30 days from quarter end close to report due date is insufficient to provide complete, quality-checked data. Increasing the timing and tempo of

reporting will be challenging for the utilities to deliver data that will be of use to all parties. Further, several of the proposed quarterly report submission dates fall in times of the year that already challenge our resources, including the proposed end of Q1 report due in May during the WMP review cycle (which includes a short turn-around discovery phase) and the end of Q3 report due in October, during the historical peak of Public Safety Power Shutoff (PSPS) season. Therefore, a process should be undertaken to evaluate the interest and needs of all parties in data on a frequency greater than annual. It may be that quality annual data submissions can fulfill the need for data for the great number of parties such that either (a) no additional reports are needed during the annual cycle or (b) a much reduced or consolidated data set can be reported in any more-than-annual reports. If parties are aligned that additional data submissions, on a more than annual basis, are truly needed and critical to the evaluation of utility's WMPs, PG&E suggests that the Commission (a) focus the additional data submissions on only that data which is likely to have changed in the intervening time, namely data on recently completed wildfire mitigation work, and/or (b) move to a semiannual reporting requirement with the WMP submission in February capturing end of year data and a mid-year report with data through the end of Q2 due by the end of August. Such a schedule would avoid requiring the submission of quarterly reports currently scheduled for the most impacted times of the year (*i.e.*, May during the WMP evaluation process and October during peak wildfire and PSPS season).

Overall, there is significant opportunity to optimize the proposed quarterly report process for the benefit of all parties involved:

1. PG&E encourages the Commission to reduce and rationalize the volume of data required in any additional reports beyond the annual filing in alignment with the WSAB's recommendation noted above
2. If additional reports are needed to gather data critical to evaluating the WMPs then the Commission should leverage a single, semiannual report between WMP update filings
3. If more-than-annual reports are needed, the schedule should allow the utilities 60 days from quarter end until the filing of the such reports.

As the WSD's requirements stabilize and utility data systems and processes mature, these approaches may be appropriately revised in the future (*e.g.* the 60 day submission timeframe being shortened) but given the evolution of these processes the above recommendations constitute a productive step forward that would be appropriate for the 2021 WMP process.

Lastly, where utilities do not have access to information required in these templates the WSD draft resolution advises that "the utility shall work with federal, state, and local agencies, stakeholders, and partners to collect or compile the information."¹ Returning to the WSAB's recommendation, if the data in question is critical to the evaluation of a utility's WMP then this may be an appropriate investment of utility resources and time. However, if the data in question does not have a clear connection to the evaluation of a utility's WMP then it is not clear why the utilities should invest time and resources, and burden other stakeholders in the effort to collect or

¹ Page 5 of Attachment 2.2

compile such information. An example here is the community evacuation data mentioned above, that utilities do not have and which has no obvious source at present. Since utilities do not coordinate or execute community evacuations, it seems inappropriate for utilities to collect this data when utilities may not fully understand the accuracy, quality or other nuances of this data. Limited utility resources and time should not be expended in the pursuit of data that is not readily available, unless it is deemed critical in evaluating a utility's WMP.

B) In depth partnership would support standardized data

As PG&E and other parties have expressed in comments during prior phases of the WMP proceeding², achieving standardization on data across multiple utilities will likely require in-depth working sessions to align on desired outcomes, evaluate proposals and develop a common set of data characteristics, definitions and other details. Other proceedings like the S-MAP required considerable time and input through these kinds of working sessions to align on calculation methodologies, input definitions and other details to ensure consistent data and usage of metrics across the utilities. These working sessions would include other intervenors besides the Commission and the utilities to ensure the outcomes work for everyone and to assure that resources and efforts can be focused on the most useful, critical metrics for evaluating the WMPs. Consistency from the 2020 WMPs to the 2021 Guidelines (after clarification) is likely to support improved data standardization from the 2020 WMP. However, some new metrics and completely revised definitions have been incorporated for the 2021 WMP. These new metrics and definitions will have to be interpreted by multiple parties and may be reported inconsistently, in the absence of thorough engagement with all parties to ensure alignment and clarity.

C) Current WMP Timeframe

Several points in the templates require data for 2023, even though PG&E understands the 2021 WMP to be an update to the 2020-2022 WMP cycle. It is unclear what the basis is to include 2023 data at this point in the process. In PG&E's case, our next General Rate Case window is 2023-2026 so we will be filing detailed plans for 2023 in June 2021. The confluence of these two proceedings may complicate and confuse the evaluation of both. Given the previously established process that there will be a 3-year WMP window (2020-2022) with annual updates filed within that window, PG&E does not believe it is appropriate, necessary or beneficial to include 2023 data in any portion of the WMP at this time.

D) Incorporation of change orders

Resolution WSD-002 laid out a requirement for the utilities to include in their annual WMP updates a detailed summary of all change orders submitted, particularly those not yet acted upon by the WSD.³ However, the draft template provided no section for utilities to include that information. PG&E requests further guidance on the Change Order reporting requirements in the 2021 WMP so that all parties involved can be consistent and in alignment with all requirements –

² Pacific Gas and Electric Company's Comments on WSD Staff Proposals and Workshops submitted August 26, 2020, at page 9.

³ Resolution WSD-002, p. 33 ("Therefore, in each annual WMP update, electrical corporations shall submit a detailed summary of all change orders submitted but not yet acted upon by the WSD.").

for example a discussion of prior year Change Orders could be included as a new header within Section 7.2 of the template.

E) Alignment on Attachment 2.2 as the actionable 2021 WMP Template

Attachment 2.1 “Changes to Wildfire Mitigation Plan (WMP) Guidelines,” provides a narrative of considerations and then proposed changes to the 2021 WMP Guidelines, but not at a level of detail that makes it possible to map exactly what the WSD is seeking in the 2021 WMP submission on these issues. Attachment 2.2, “2021 Wildfire Mitigation Plan Guidelines Template,” instead provides a very helpful, section-by-section outline of what should be provided in the 2021 WMP submissions. It is not clear that Attachment 2.1 and 2.2 are precisely aligned (due to the different formats and discussion approaches), therefore PG&E interprets that the utilities are instructed to follow the 2021 WMP template as it is provided in Appendix 2.2.

WMP Guidelines (Appendix 2.2) Comments by Section:

F) Section 1: Persons Responsible for Executing the WMP

Utilities will likely need to redact much of the personnel information required in Section 1, the Program Owners chart, from the public version of the 2021 WMP (*e.g.* Name, Title, Email, Phone number). PG&E is very willing to connect the WSD and other parties with the relevant Subject Matter Experts or Program Owners for portions of the WMP, we do not believe that including this personal information in the WMP template itself is necessary or productive. Further, the natural course of personnel changes means that some of these names may quickly be out of date. For example, on standards and procedure documents we generally reference the position that is responsible for executing or managing a process, as opposed to the names of individual.

We also respectfully request that the Commission and the WSD continue to connect with PG&E through the existing and pre-established regulatory relations channels for questions about the WMP. We believe this process has been effective in providing the Commission with the information and responses needed and do not see a reason to change this.

G) Section 3: Actuals and Planned Spending

As the Commission and the WSD are aware and acknowledge in the draft template, the WMP is not the proper forum for approving projected expenditures or finding them to be reasonable for cost recovery purposes. However, there are other proceedings before the Commission where costs associated with WMP activities are subject to reasonableness review. Due to the timing of the 2021 WMP Filing, PG&E (and we presume the other utilities) will only be able to provide preliminary 2020 expenditure figures. PG&E’s final 2020 annual expenditures data will not be available at the time of submission in early February. One concern with providing preliminary data in this finding is that PG&E may need to make assumptions regarding the alignment of costs between Balancing and Memo Accounts before completing the appropriate reviews of those costs (since those accounts can have special rules regarding what should or should not be recorded).

Table 3-3: Estimated Electricity Cost Increase to Ratepayers

The new metrics identified in Table 3-3 regarding estimated electricity cost increase are unclear. Since the Commission approves utility distribution rates through separate and in some cases parallel proceedings the CPUC has insight into and authority over this very issue. Further, the actual cost impact to customers will occur when the rate changes are approved for incorporation. It would be highly speculative for PG&E to estimate how ratepayer costs would change if wildfire costs, including those recorded in memorandum accounts and not yet approved for recovery, are incorporated into rates in a particular timeframe. As noted above, it is unclear how these metrics are critical to the evaluation of a utility's WMP and the focus on reducing wildfire risk. If these metrics are kept in the 2021 WMP, we ask the WSD to provide additional guidance on what assumptions to make for this calculation, to ensure the utilities provide cost estimates that could be meaningfully compared.

H) Section 6: Performance Metrics and Underlying Data

Table 1: Recent Performance on Progress Metrics – Evacuation information

Determining, communicating and executing community evacuations is not a utility function, and these metrics should be removed from the 2021 WMP templates. As we noted in previous comments⁴, first responder agencies are explicit that in case of an active wildfire where emergency communications are needed, including evacuation communications, PG&E should stand aside and point customers back to the appropriate authorities (such as County OES and/or Sheriffs) who direct those decisions and communications. Given that the utilities are not responsible for these activities, nor are we the source of the data, it is unclear how the data associated with this measure is critical for evaluating our 2021 WMP.

If the CPUC determines that community evacuation metrics are critical to the utility WMP process going forward, then workshops with the Commission, utilities, and appropriate Office of Emergency Management or Local Law Enforcement agencies would be most effective to determine how we can support the first responder organizations and their provisions of the information the CPUC seeks.

Table 2: Risk Event (formerly Near Miss)

It is PG&E's understanding that, as currently stated, this may not be a performance metric. The WSD is looking at the broadest possible definition of these "risk events" in order to gather a wide range of data and further refine this requirement in the future. As explained in previous comments,⁵ we recognize the conceptual value in capturing incidents that could have led to a catastrophic wildfire under different circumstances but did not. However, after numerous conversations with multiple parties and several divisions within the Commission, it is clear that there is no consensus on a definition of these situations. The definition of an ignition itself was developed through an extended, stakeholder involved process that yielded the ignition

⁴ Pacific Gas and Electric Company's Comments on WSD Staff Proposals and Workshops submitted August 26, 2020 at page 5.

⁵ *Id.*

reporting definition and criteria used today. A universal definition for risk event (or near ignition or near miss) is even more complex than the definition of a reportable ignition. PG&E continues to suggest that the best way forward for all parties would be to create a technical working group for all utilities, stakeholders, and the WSD to outline a satisfactory approach to data gathering, and to create a well-defined metric that all parties can support for consistency. Anything less than an aligned definition across the impacted parties is unlikely to furthering the WSD's goal of standardizing data across utilities and having a universal and usable "risk event" metric.

6.8.2 Additions, removal, and upgrade of utility equipment by end of 3-year plan term

In Section 6.8.2, Tables 9 and 10, the Commission requests detailed project location information for the next several years by High Fire Threat District (HFTD) tiers. PG&E does not have this information available and does not anticipate having it by the February 2021 due date. PG&E's risk analysis continues to improve and inform the selection of projects based on the highest risk locations in our service territory. Therefore, our project locations – particularly for 2022 – are either preliminary and subject to change or have not been selected yet, consistent with our need to be flexible and responsive to the realities of wildfire risk.

Wildfire risk is dynamic for a number of reasons, including that wildfires burned over 3 million acres in PG&E's service territory in 2020, which will alter the likelihood of future ignitions in these burn scars and change the risk assessment for lines that traverse those areas. We believe that WSD recognizes the value of incorporating the latest environmental factors and data and will not place undue weight upon this information if it remains in the WMP templates.

I) Section 7: Mitigation Initiatives

7.2. Wildfire Mitigation Plan Implementation, 7.2D: Ensure that across audits, initiatives, monitoring, and identifying deficiencies, the utility will report in a format that matches across WMPs, Quarterly Reports, Quarterly Advice Letters, and annual compliance assessment.

PG&E requests further guidance on this requirement and what is expected in this section of the 2021 WMP. The general guidance provided is broad and may be contradictory to specific guidance provided by the WSD. For example, in 2020 the Commission and WSD provided specific guidance on the format for the WMPs, Quarterly Reports and deficiency resolution (Remedial Corrective Plans). It is not clear if following the WSD's defined format for those submissions was adequate to comply with this requirement for matching formats and how that should be discussed in the 2021 WMP template. We ask that the WSD host a technical workshop to engage with interested parties and other utilities to determine how to streamline reports and reporting templates to achieve a level of consistency that all parties can support.

7.3 Detailed Wildfire Mitigation Programs: 7.3.2 (5.3 Tables)

PG&E suggests that for alignment with the new 2021 WMP outline and to reduce potential confusion that the section titles for the 87 initiative be changed to Section 7.3 to match their placement in Section 7 in 2021 (as opposed to section 5.3 where they were placed in 2020 and are still numbered). The inconsistency in section numbers could cause confusion during the 2021 WMP process. PG&E appreciates that the connection of the initiative numbers back to the

2020 WMP also has value, however the confusion created in this year's submission of referencing sections within Section 7.3 that are numbered starting with 5.3 will be substantial.

Recommended Change 7f: RSE for each initiative shall be reported as 3 numbers

Similar to the discussion above regarding Section 6.8.2, PG&E does not forecast all elements of future wildfire mitigation work at a level of granularity that segregates the HFTD tiers (particularly Zone 1, which is quite small and changes annually). We are moving along the maturity path from first getting and using the HFTD maps in 2018, to tracking most items to an HFTD versus Non-HFTD level today, to having more specificity in the future. At this time, PG&E anticipates that it will be challenging to break down RSEs, for example, by the HFTD-specific buckets requested for the 2021 WMP. PG&E anticipates that our RSE analysis will need to treat all three HFTD buckets with the same assumptions, yielding identical RSEs. Even in the case that we have mileage designations by HFTD Tiers, the overall risk reduction may vary proportionally to the number of miles in each but the same underlying RSE could be reflected. We are moving toward having increasingly accurate, meaningful risk data by HFTD Tier, but will be unable to complete those improvements over the next three months, in time to meet the 2021 filing deadline.

Conclusion

PG&E appreciates the WSD's efforts to develop a common template for the 2021 WMPs and provide direction for the WMP development. PG&E fully supports the efforts of the WSD and believes that the 2021 WMPs represent another step forward for all of the utilities in describing their respective plans to address wildfire risks in California. PG&E believes that the suggestions provided here would further enhance the WMP process and that the Commission should incorporate these changes into the final Resolutions.

We appreciate the opportunity to provide these comments and hope that they contribute to an increasingly collaborative discussion across numerous stakeholders to further improve the WMP processes. PG&E looks forward to partnering with WSD, stakeholders, and other utilities to advance our collective goal of eliminating utility-caused catastrophic wildfires

Sincerely,

Matthew Pender

Director, Electric Operations Regulatory Strategy & Community Wildfire Safety Program PMO
77 Beale Street, 28th Floor
San Francisco, CA 94105
(415) 973-3604
Matthew.Pender@pge.com

cc: R.18-10-007 service list