

PUBLIC UTILITIES COMMISSION

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VIA ELECTRONIC FILING AND EMAIL

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Subject: The Public Advocates Office's Comments on Draft Resolution WSD-022 and the Office of Energy Infrastructure Safety's Draft Action Statement on Bear Valley Electric Service's (BVES's) 2021 Wildfire Mitigation Plan (WMP) Update Pursuant to Public (P.U.) Code Section 8386.

Pursuant to Rule 14.5 of the California Public Utilities Commission's (Commission's) Rules of Practice and Procedure and the Commission's August 6, 2021 Letter to Parties Interested in Resolution WSD-022,¹ the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) hereby submits Opening Comments on the Draft Resolution WSD-022 issued by the Commission, and the Draft Action Statement issued by the Office of Energy Infrastructure Safety (Energy Safety)² on Bear Valley Electric Service

¹ Hereinafter Comment Letter of Draft Resolution WSD-022, August 6, 2021.

² At the time Cal Advocates submitted its comments on the 2021 WMP, Energy Safety was part of the California Public Utilities Commission and was referred to as the Wildfire Safety Division. Cal Advocates will use Energy Safety for consistency throughout these comments.

Company's (BVES) 2021 WMP Update pursuant to Public Utilities (P.U.) Code Section 8386 (hereinafter Draft Action Statement or Draft Action Statement on BVES 2021 WMP Update).³

These comments are timely submitted on August 26, 2021.⁴

I. INTRODUCTION

On August 6, 2021, Energy Safety issued a Draft Action Statement on BVES's 2021 WMP Update. On the same day, the Commission issued Draft Resolution WSD-022, which included Energy Safety's Draft Action Statement on BVES 2021 WMP Update, as an attachment. WSD-022 would ratify Energy Safety's Draft Action Statement on BVES 2021 WMP Update and require BVES to meet the commitments in its 2021 WMP Update and fulfill certain additional obligations laid out in Energy Safety's Draft Action Statement.

II. RECOMMENDATIONS

Energy Safety's Draft Action Statement on BVES 2021 WMP Update lists two critical issues, and fourteen key areas for improvement for BVES's 2021 WMP Update, as well as the associated remedies for those issues. Furthermore, throughout the Draft Action Statement, Energy Safety discusses several other issues that BVES should improve on by its Progress Report due November 1, 2021, or by its 2022 WMP Update. Cal Advocates supports the Draft Action Statement and agrees with the remedies proposed by Energy Safety discussed below. Therefore, Cal Advocates urges the Commission to adopt Draft Resolution WSD-022 ratifying Energy Safety's Draft Action Statement on BVES 2021 WMP Update.

A. Cal Advocates supports requiring BVES to disaggregate expenditures in its 2022 WMP update.

In comments on BVES's Revision of its 2021 WMP Update, Cal Advocates noted that BVES's accounting of WMP costs "indicates a lack of true disaggregation and tracking of wildfire mitigation initiative expenditures."⁵ Cal Advocates also noted that BVES indicated in

³ See Energy Safety website, Docket # 2021-WMPs, Ref # (Doc. No.) 10272 (Draft Action Statement on BVES 2021 WMP Update).

⁴ See Comment Letter of Draft Resolution WSD-022, August 6, 2021 (requiring comments by August 26, 2021, per P.U. Code § 311(g) and Rule 14.5 of the Commission's Rules of Practice and Procedure).

⁵ Cal Advocates Comments on 2021 BVES WMP Revision Notice, June 23, 2021, p. 2.

its discovery response to Cal Advocates that it had spread certain expenses equally across various initiatives.⁶ WSD-022 similarly finds BVES's "lack of true disaggregation and tracking of wildfire mitigation initiative expenditures" inadequate in helping Energy Safety understand resource allocation, local community conditions and other detailed information previously requested at a more aggregated level.⁷ Thus, WSD-022 requires BVES, in its 2022 WMP update, to identify where common costs are allocated across multiple initiatives, and to justify its allocation methodology for these costs.⁸ BVES is required to explain how these allocated costs relate to each initiative and demonstrate that the values reasonably reflect the initiatives' true costs.⁹

B. Cal Advocates supports Energy Safety's requirements to improve on Quality Control and Quality Assurance Programs.

Energy Safety requires BVES to take several actions to further the development of an effective Quality Assurance and Quality Control (QA/QC) program. BVES is required to:

1. Provide a timeline for its implementation of a formal QA/QC process.
2. Explain how it conducts quality checks of its asset inspections prior to the adoption of the formal program.
3. Develop an interim QA/QC procedure for asset inspections between now and the establishment of its new QA/QC program, if such has yet to be adopted, in order to ensure that work is being completed accurately and effectively.
4. Provide updates on the development of its QA/QC program in its Progress Report, including: (i) the scope of the QA/QC program, (ii) procedures of the QA/QC program that BVES has developed, and (iii) the status of the QA/QC program implementation.¹⁰

Cal Advocates supports these requirements, which align with the recommendations made in Cal Advocates' earlier comments on BVES's 2021 WMP Update.¹¹

⁶ BVES Response to date request CalAdvocates-BVES-2021WMP-05, June 17, 2021.

⁷ Draft Resolution WSD-022, pp. 3, 19-20.

⁸ Draft Action Statement on BVES 2021 WMP Update, p. 22.

⁹ Draft Action Statement on BVES 2021 WMP Update, p. 22.

¹⁰ Draft Action Statement on BVES 2021 WMP Update, pp. 45-46.

¹¹ Cal Advocates Comments on 2021 WMP Update of Small IOUs, April 14, 2021, pp. 12-13.

C. Cal Advocates supports the requirement for BVES to evaluate the use of covered conductor through workshops.

Energy Safety notes in its Draft Action Statement that “[t]he rationale to support the selection of covered conductor as a preferred initiative...lacks consistency among the utilities.”¹² As a remedy, Energy Safety would require the utilities to coordinate amongst themselves in order to determine the effectiveness of covered conductor when compared to other initiatives.¹³ The Draft Action Statement also requires BVES to evaluate through workshops the scope of its covered conductor deployment in the context of its updated Wildfire Risk Models.¹⁴

D. Cal Advocates supports Energy Safety’s requirement for BVES to coordinate with other utilities to develop a more consistent approach to creating risk models.

In its Draft Action Statement, Energy Safety states that the utilities do not have a consistent approach to wildfire risk models.¹⁵ To remedy this, Energy Safety would require the utilities to collaborate in a working group to develop a more consistent approach to modeling wildfire risk. Cal Advocates supports imposing this requirement on BVES and the other utilities. As stated in its comments to BVES’ 2021 WMP update, Cal Advocates believes that Energy Safety should convene a series of technical working groups to examine risk modeling practices. Reviewing utility risk models and any changes that the utilities make to their models prior to WMP filings would facilitate and make efficient stakeholders’ review during the WMP review period.

E. Cal Advocates supports Energy Safety’s requirements to develop a more consistent approach to Risk Spend Efficiency.

Energy Safety notes that there is a lack of consistency among the utilities’ Risk Spend Efficiency (RSE) estimates.¹⁶ Cal Advocates agrees with Energy Safety’s finding that RSE estimates between the different utilities should be comparable, especially when evaluated relative

¹² Draft Action Statement on BVES 2021 WMP Update, pp. 11-12.

¹³ Draft Action Statement on BVES 2021 WMP Update, pp. 11-12.

¹⁴ Draft Action Statement on BVES 2021 WMP Update, p. 11.

¹⁵ Draft Action Statement on BVES 2021 WMP Update, p. 11.

¹⁶ Draft Action Statement on BVES 2021 WMP Update, p. 16.

to other mitigations within a particular WMP. By holding a technical workshop where all utilities are invited to address this issue, stakeholders would be better able to judge the cost effectiveness of WMP initiatives with an understanding of how the initiatives of one utility compares to its peers. Just as importantly, having a more transparent and consistent approach to RSE would allow the utilities to better determine how the risk portfolios of other utilities compare to their own and determine what the causes of any differences in RSE estimates might be.

III. CONCLUSION

Cal Advocates respectfully recommends that the Commission approve Draft Resolution WSD-022, which ratifies Energy Safety's recommendations on BVES' 2021 WMP Update.

Sincerely,

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