



**To:** Stakeholders  
**From:** Kristin Ralff Douglas  
**Date:** November 15, 2023  
**Re:** Working Group #3 Topics

MEMORANDUM

## 2023 Undergrounding Plans (Docket #2023-UPs)

### Topics for Working Group #3 on Development of Guidelines for the 10-Year Undergrounding Distribution Infrastructure Plan (Undergrounding Plan)

The Electrical Undergrounding Division of the Office of Energy Infrastructure Safety (Energy Safety) is developing guidelines for large electrical corporations to submit a 10-Year Undergrounding Distribution Infrastructure Plan (Undergrounding Plan) pursuant to Public Utilities Code sections 8385 and 8388.5.

The questions below are part of Energy Safety’s ongoing process to develop these guidelines and will be discussed at the November 21, 2023 working group meeting. The working group discussion will benefit from your responses. Stakeholders wishing to propose additional related topics ahead of the meeting are invited to do so before Friday November 17, 2023 via email to [ElectricalUndergroundingPlans@energysafety.ca.gov](mailto:ElectricalUndergroundingPlans@energysafety.ca.gov).

Stakeholders may provide post-working group comments via e-filing by November 27, 2023. E-filing instructions are provided on the Energy Safety website.

Working Group #3 is an opportunity for stakeholders to give input on the following topic areas as well as how Energy Safety could use this information in reviewing an Undergrounding Plan.

#### Topic 1: Flexibility Options/Updates for 10-year Undergrounding Plan

Public Utilities Code Section 8388.5 does not require updates or changes to the 10-year Undergrounding Plans once approved. Stakeholders have indicated that at least some elements of an Undergrounding Plan are likely to change over the 10-year time period such as: risk models, technology, techniques, costs, High Fire Threat District (HFTD) maps, viability or timeline of individual projects, and climate and weather.

1. What types of changes to components of an Undergrounding Plan could occur after an Undergrounding Plan is approved? Which types of changes would benefit from additional review?

2. At the February 24, 2023 joint CPUC/Energy Safety Workshop, stakeholders suggested a number of ways that changes could be addressed during the 10-year period. See Appendix 1 below for a list of suggestions from that workshop. Are there others? What are the driving factors in choosing one or more options?

### **Topic 2: Utility and Contractor Workforce Development Plan**

Public Utilities Code section 8388.5(c) requires that a 10-year Undergrounding Plan contain several specific elements, including a plan for utility and contractor workforce development.

1. What are the elements that should be included in a utility and contractor workforce development plan for a 10-year Undergrounding Plan?
2. What is the timeframe that the workforce development plan should cover?
3. Should the workforce development plan cover recruitment as well as training?
4. Should the workforce development plan provide a plan to scale up the workforce broken down by type of personnel?
5. Should the workforce development plan include community and labor organization outreach related specifically to workforce development?

### **Topic 3: Coordination between Energy Safety and CPUC**

The Public Advocates Office (CalAdvocates) submitted informal comments on the CPUC staff proposal for the SB 884 program on September 27, 2023. Those comments were also attached to their November 2, 2023 response to Energy Safety's October 16, 2023 request for comments. Specifically, CalAdvocates requested clarification of the interagency coordination between the CPUC and Energy Safety.

#### **A. Specific Areas of Coordination – Pre-Plan Submission**

1. What are the specific areas of interagency staff coordination that stakeholders would like to suggest?
2. Staff have discussed alignment on definitions, project data, and reporting data. Are there other areas of alignment?
3. In Decision 22-12-027, the CPUC adopted a Cost/Benefit Ratio approach. At the November 14, 2023 Working Group meeting held by Energy Safety, stakeholders suggested that Energy Safety should use the CPUC Cost/Benefit Ratio in evaluating Undergrounding Plans. What coordination steps would be necessary for Energy Safety to use the CPUC Cost/Benefit Ratio?

#### **B. Specific Areas of Coordination – Plan Evaluation**

1. Are there specific areas of coordination the agencies should consider while Energy Safety is evaluating a 10-year Undergrounding Plan?

### **C. Specific Areas of Coordination – Application Evaluation**

1. Are there specific areas of coordination the agencies should consider while the CPUC is evaluating a utility undergrounding application?

### **D. Specific Areas of Coordination -- Compliance Framework**

8388.5(f) states that

“If the plan is approved by the office and the commission, the large electrical corporation shall do the following:

- (1) every six months, file a progress report with the office and the commission.
- (2) Include ongoing work plans and progress in annual wildfire mitigation plan filings.
- (3) Hire an independent monitor, selected by the office, to review and assess the large electrical corporation’s compliance with its plan and submit a report with the office each December 1 over the course of the plan.”

8388.5(i) (1) states that

“The office shall consider the independent monitor’s report and whether the large electrical corporation has cured any deficiencies, and may recommend penalties to the commission.

(2) The commission may assess penalties on a large electrical corporation that fails to substantially comply with a commission decision approving its plan.”

1. Are there specific areas of coordination the agencies should consider regarding the evaluation of the IOU progress reports?
2. Are there specific areas of coordination the agencies should consider regarding the evaluation of ongoing work plans in the annual Wildfire Mitigation Plans?
3. Are there specific areas of coordination the agencies should consider regarding the evaluation of the independent monitor’s report?

## Appendix 1

### Flexibility Options and Plan Update Approaches discussed at the February 24, 2023 joint CPUC/Energy Safety Workshop

1. Framework Approach: the Plan should be a framework so that no flexibility is needed. Projects and workplan can change within the framework. Any changes would be reported in progress reports.
2. New Approval Needed: Any change in projects should be subject to an approval process that includes public input. Other changes may require a formal agency action.
3. Leverage Wildfire Mitigation Plan (WMP) Cycle. The Electrical Corporation could update its project list in the annual WMP. (There is one full WMP every three years, with updates the other two years.) This could take a variety of forms:
  - The Undergrounding Plan should provide a high-level architecture setting yearly goals and providing an overview of how undergrounding will be implemented.
  - The WMP should be the forum for assigning specific circuits or tranches for work within the next 1 to 2 years.
  - Proposed changes to the Undergrounding Plan (short and long term) should be proposed in the WMP.
  - Re-validation of risk reduction and cost estimates should be detailed in the WMP.
4. The electrical corporations should submit three separate plans over the course of the 10-year period. This could incorporate the time for the electric utility to plan projects and for stakeholders to review projects.
5. CPUC Cost/Benefit Approach: any project that meets the average cost-benefit ratio of the overall plan would be eligible to be substituted in for another project. Energy Safety or CPUC would need to determine how to calculate the average.