State of California – A Natural Resources Agency



OFFICE OF ENERGY INFRASTRUCTURE SAFETY 715 P Street, 20th Floor | Sacramento, CA 95814 916.902.6000 | www.energysafety.ca.gov Caroline Thomas Jacobs, Director

May 31, 2024

Jay Leyno Director, Wildfire Mitigation PMO Pacific Gas and Electric Company 300 Lakeside Drive Oakland, CA 94612

SUBJECT: Office of Energy Infrastructure Safety Decision on Pacific Gas and Electric Company's Change Order Request in relation to its 2023-2025 Base Wildfire Mitigation Plan

Mr. Leyno:

The Office of Energy Infrastructure Safety (Energy Safety) has evaluated Pacific Gas and Electric Company's (PG&E's) change order request pertaining to its 2023-2025 Base Wildfire Mitigation Plan (WMP) pursuant to the 2023-2025 WMP Process and Evaluation Guidelines (Dec. 6, 2022).¹ Energy Safety approves in part and rejects in part PG&E's change order request.

On December 29, 2023, Energy Safety approved² PG&E's 2023-2025 Base WMP.³ PG&E submitted a change order request on January 8, 2024.⁴ Energy Safety received no stakeholder comments on PG&E's change order request.

¹ Energy Safety's 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines (Dec.2022) (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53287&shareable=true, accessed Jan. 30, 2024).

² <u>Decision on 2023-2025 Wildfire Mitigation Plan Pacific Gas and Electric Company</u> (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56134&shareable=true, accessed Feb. 15, 2024).

³ PG&E originally submitted its 2023-2025 WMP on March 27, 2023. As required by Energy Safety, PG&E submitted a final version of its 2023-2025 WMP on January 8, 2024, that includes all previous submitted errata: <u>2023-2025</u> <u>Wildfire Mitigation Plan Pacific Gas & Electric Company</u>

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56145&shareable=true, accessed Feb. 16, 2024).

⁴ PG&E's 2024 Change Order for the 2023-2025 Wildfire Mitigation Plan and Attachment

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56148&shareable=true; https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56149&shareable=true, accessed Feb. 15, 2024).

On May 21, 2024, PG&E submitted a request to correct information in its change order request.⁵ Energy Safety approves PG&E's request to correct the 2024 risk impact values associated with its change order request.

Below, Energy Safety provides a summary of its determination for each of the requested changes. Energy Safety evaluated the requested changes pursuant to the criteria set forth in Section 12 of the 2023-2025 WMP Process and Evaluation Guidelines. In executing its WMP, should an electrical corporation deviate from its approved plan, it will have the opportunity to explain or justify such deviations during the compliance process.

⁵ PG&E's Request to Correct Information in Change Order (<u>https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56711&shareable=true</u>, accessed May 29, 2024).

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
GH-01: System Hardening – Distribution	PG&E proposes completing 280 circuit miles in 2024 versus the approved 470 circuit miles of system hardening work.	Approved	The proposed change is based on an updated understanding of requirements and targets resulting from and in alignment with the current ratesetting proceeding.
GH-04: 10K Undergrounding	PG&E proposes completing 250 circuit miles of undergrounding in 2024 versus the approved 450 circuit miles.	Approved	The proposed change is based on an updated understanding of requirements and targets resulting from and in alignment with the current ratesetting proceeding.
PS-07: Reduce PSPS Impacts to Customers	PG&E proposes changing its 2024 target for customer PSPS events mitigated from 18,000 to 9,980.	Approved	The proposed change is based on an updated understanding of requirements and targets resulting from and in alignment with the current ratesetting proceeding.
AI-07: Detailed Ground and Aerial Inspections – Distribution	PG&E proposes completing detailed inspections on approximately 220,016 distribution poles in 2024 versus the approved 233,501 distribution poles,	Approved	The proposed change responds to an updated understanding of risk and is likely to reduce wildfire risk. The combination of 37,000 drone and 183,016 ground inspections on 220,016 total distribution

Table 1. Determinations for PG&E's Requested Changes

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
	but requests to also include aerial inspections.		poles will mitigate more risk than the original 233,501 ground inspections.
GM-09: Asset Inspection Quality Control	Due to adding aerial inspections, PG&E proposes combining Quality Control (QC) desktop targets and field audit targets of High Fire Threat District (HFTD) transmission inspections into a single System Inspection Transmission audit target. PG&E proposes doing the same with System Inspection Distribution audit targets.	Approved	The proposed change responds to an updated understanding of risk and is likely to reduce wildfire risk. PG&E's previous request (AI-07) to perform more aerial inspections will require more desktop inspections in GM-09.
GM-01: Asset Inspection Quality Assurance	Due to adding aerial (desktop) inspections, PG&E proposes eliminating the terms "ground" and "field" for Quality Assurance (QA) asset inspections. The updated	Approved	The proposed change responds to an updated understanding of risk and is likely to reduce wildfire risk. Aerial inspections are audited via desktop review while ground inspections are audited via field review. PG&E's previous request (AI-07) to perform more aerial inspections will require QA

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
	targets will be transmission inspection and distribution inspection audits, as opposed to transmission ground and distribution ground inspection audits.		desktop audits. Removing the words "ground" and "field" from this target allows the target to cover both ground and aerial inspection QA audits, instead of only ground inspection QA audits.
AI-08: Supplemental Inspections – Substation Distribution	PG&E proposes to complete supplemental inspections on 62 distribution substations in 2024 versus its approved 72 inspections.	Rejected	The proposed change does not reduce risk.
AI-09: Supplemental Inspections Substation Transmission	PG&E proposes to complete supplemental inspections on 35 transmission substations in 2024 versus its approved 36.	Rejected	The proposed change does not reduce risk.
Al-10: Supplemental Inspections – Hydroelectric	PG&E proposes to complete supplemental inspections on 37 Hydroelectric Generation	Rejected	The proposed change does not reduce risk.

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
Substations and Powerhouses	Substations and Powerhouses in 2024 versus its approved 46.		
VM-06: Defensible Space Inspections – Transmission Substation	PG&E proposes to complete defensible space inspections at 54 transmission substations in 2024 versus its approved 55.	Rejected	The proposed change does not reduce risk. PG&E states the target change is "due to the transferring, sale or decommissioning of substations within PG&E's service territory." ⁶ The reason for the requested change is that the initial target is no longer feasible. That is not an allowable reason to request a change in a target. ⁷
VM-07: Defensible Space Inspections – Hydroelectric	PG&E proposes to complete defensible space inspections at 59 hydroelectric generation substations and	Rejected	The proposed change does not reduce risk. PG&E states the target change is "due to the transferring, sale or decommissioning of substations within PG&E's service territory." ⁸ The

⁶ PG&E's 2024 Change Order for the 2023-2025 WMP, p. 22

- ⁷ Energy Safety's 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines (Dec. 2022) 12.2 "Criteria for a Change Order Request" states "Electrical corporations should not request approval for...changes to approach or targets exclusively because full implementation may not be feasible"
- (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53287&shareable=true, accessed Jan. 30, 2024).

⁸ PG&E's 2024 Change Order for the 2023-2025 WMP, p. 22

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56148&shareable=true, assessed February 27, 2024).

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56148&shareable=true, assessed February 27, 2024).

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
Substations and Powerhouses	powerhouses in 2024 versus its approved 61.		reason for the requested change is that the initial target is no longer feasible. That is not an allowable reason to request a change in a target. ⁹
VM-04: Tree Removal Inventory	PG&E proposes to expand the definition of a 'mitigated' tree to include trees that are trimmed to the point where the fall-in risk is mitigated.	Rejected	The proposed change in the definition of a mitigated tree does not result in an increase or decrease of more than 25% of an initiative's risk reduction value, is not a significant strategic change, and does not represent an acceptable change to a quarterly target. Therefore, there is not an allowable reason to request a change in a target. ¹⁰
PS-06: Provide Batteries to Customers at risk of PSPS or EPSS	PG&E proposes to also provide permanent batteries to PG&E customers in addition to	Rejected	The proposed change in providing permanent batteries to customers is not a significant strategic change.

⁹ Energy Safety's 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines (Dec. 2022) 12.2 "Criteria for a Change Order Request" states "Electrical corporations should not request approval for...changes to approach or targets exclusively because full implementation may not be feasible"

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53287& shareable=true, accessed Jan. 30, 2024).

¹⁰ Energy Safety's 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines (Dec. 2022) Sections 12.2 and 12.3

⁽https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53287&shareable=true, accessed Jan. 30, 2024).

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
	new or replacement portable batteries.		
VM-01: LiDAR Routine Inspections – Transmission	PG&E proposes to revise its 2024 quarterly targets for light detection and ranging (LiDAR) routine transmission inspections for Q2 from 17,500 to 16,000; and for Q3 from 17,500 to 17,000.	Approved	The change represents an acceptable change to a 2024 vegetation inspection quarterly target. The annual target for 2024 inspections remains the same.
VM-03: Focused Tree Inspection	PG&E proposes to revise its 2024 quarterly targets for focused tree inspections for Q2 from 500 to 300; and for Q3 from 1,250 to 1,050.	Approved	The change represents an acceptable change to a 2024 vegetation inspection quarterly target. The annual target for 2024 inspections remains the same.
VM-13: Routine Ground – Transmission	PG&E proposes to revise its 2024 quarterly targets for routine ground transmission inspections for Q2 from 16,396 to 9,000; and for Q3 from 17,738 to 16,000.	Approved	The change represents an acceptable change to a 2024 vegetation inspection quarterly target. The annual target for 2024 inspections remains the same.

PG&E Initiative ID and Title	Change Requested	Determination	Rationale
VM-16: Routine Patrol – Distribution	PG&E proposes to revise its 2024 quarterly targets for routine distribution patrol inspections for Q2 from 39,325 to 31,460; and for Q3 from 58,988 to 51,123.	Approved	The change represents an acceptable change to a 2024 vegetation inspection quarterly target. The annual target for 2024 inspections remains the same.
VM-17: Second Patrol – Distribution	PG&E proposes to revise its 2024 quarterly targets for distribution second patrol inspections for Q2 from 11,831 to 10,274; and for Q3 from 17,947 to 16,695.	Approved	The change represents an acceptable change to a 2024 vegetation inspection quarterly target. The annual target for 2024 inspections remains the same.
VM-05: Defensible Space Inspections – Distribution Substation	PG&E proposes to complete defensible space inspections in alignment with the guidelines set forth in LAND 5201P-01 in 2024 versus those in LAND 4001P-01.	Rejected	The proposed change from LAND 4001P-01 to LAND 5201P-01 does not result in an increase or decrease of more than 25% of an initiative's risk reduction value, is not a significant strategic change, and does not represent an acceptable change to a quarterly target. Therefore, there is not an allowable reason to request a change in a target. ¹¹

¹¹ Energy Safety's 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines (Dec. 2022) Sections 12.2 and 12.3

(https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=53287&shareable=true, accessed Jan. 30, 2024).

Summary and Next Steps

Energy Safety approves 11 of PG&E's 19 requests, affecting the following initiative(s):

- GH-01: System Hardening Distribution
- GH-04: 10k Undergrounding
- PS-07: Reduce PSPS Impacts to Customers
- AI-07: Detailed Ground and Aerial Inspections Distribution
- GM-09: Asset Inspection QC
- GM-01: Asset Inspection QA
- VM-01: LiDAR Routine Inspections Transmission
- VM-03: Focused Tree Inspection
- VM-13: Routine Ground Transmission
- VM-16: Routine Patrol Distribution
- VM-17: Second Patrol Distribution

In accordance with the 2023-2025 Process and Evaluation Guidelines, PG&E must include the approved changes to these targets in future submissions to Energy Safety, including quarterly data reports.

Additionally, PG&E must revise its 2023-2025 Base WMP to reflect the approved changes for 2024 noted above and submit the revised WMP to the 2023-2025 WMP docket no later than June 7, 2024. This revised 2023-2025 Base WMP must represent the WMP approved by Energy Safety on December 23, 2023, with only the 2024 target changes noted above, as well as the corrected risk reduction estimates provided in PG&E's May 21, 2024 request to correct information in its change order (e.g., Table 8-3). PG&E must not include the updates provided in its 2025 WMP Update submitted to Energy Safety on April 2, 2024, or any other changes not approved by this Change Order Decision.

Sincerely,

Suzie Rose Program Manager, Electrical Safety Policy Division Office of Energy Infrastructure Safety