



**OFFICE OF ENERGY INFRASTRUCTURE SAFETY** 715 P Street, 15th Floor | Sacramento, CA 95814 916.902.6000 | www.energysafety.ca.gov

July 11, 2025

Brian D'Agostino Vice President – Wildfire & Climate Science San Diego Gas & Electric Company BDAgostino@sdge.com

Subject: Office of Energy Infrastructure Safety Decision for San Diego Gas & Electric

Company's 2025 Petition to Amend to its 2023-2025 Base Wildfire

**Mitigation Plan** 

## Mr. D'Agostino:

The Office of Energy Infrastructure Safety (Energy Safety) has evaluated San Diego Gas & Electric Company's (SDG&E's) Petition to Amend, submitted on April 10, 2025, pursuant to Chapter IV of the Wildfire Mitigation Plan Guidelines (WMP Guidelines). The petition seeks to amend SDG&E's 2023-2025 Base Wildfire Mitigation Plan (2023-2025 Base WMP).

Energy Safety hereby approves six amendments requested by SDG&E and denies 11 amendments.<sup>2</sup>

On May 16, 2022, SDG&E submitted its General Rate Case (GRC) application for 2024 Test Year with the California Public Utilities Commission (CPUC).<sup>3</sup> On December 23, 2024, the CPUC issued its decision addressing Track 1 of SDG&E 2024 Test Year.<sup>4</sup> In its decision, CPUC

<sup>&</sup>lt;sup>1</sup> Office of Energy Infrastructure Safety, <u>Wildfire Mitigation Plan Guidelines</u>, Published February 24, 2025, pages 172-174, URL:(<a href="https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58026&shareable=true">https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58026&shareable=true</a>).

<sup>&</sup>lt;sup>2</sup> Where an electrical corporation deviates from its approved WMP, it may explain or justify such deviations during the compliance process.

<sup>&</sup>lt;sup>3</sup> San Diego Gas & Electric Company, <u>Test year 2024 general rate case application of San Diego Gas & Electric company (U 902 M)</u>, Published May 17, 2022, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M476/K452/476452353.PDF).

<sup>&</sup>lt;sup>4</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf).

authorized funding to underground electrical lines, but not to the amount requested by SDG&E.<sup>5</sup>

SDG&E subsequently submitted a Petition to Amend to Energy Safety requesting amendments to five 2024 and twelve 2025 initiatives and targets in its 2023-2025 Base WMP. SDG&E identified that its GRC application forecasts formed the basis for the development of its 2024 and 2025 WMP targets. SDG&E argued that it must reduce SDG&E's wildfire mitigation spending for 2025, 2026, and 2027 to ensure that its WMP spending stays within its authorized revenue requirement for the 2024-2027 GRC Cycle. SDG&E provided projected expenditure adjustments in a table in the petition's Attachment A and redlined amendments to its 2023-2025 Base WMP in Attachment B.

Below, Energy Safety provides a summary of its determination for each of the 17 requested amendments.

<sup>5</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, pages 466 & 495, Published December 23, 2024, URL:

<sup>(</sup>https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf)...

<sup>&</sup>lt;sup>6</sup> San Diego Gas & Electric Company, <u>San Diego Gas & Electric 2025 Petition to Amend</u>, Published April 10, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58234&shareable=true).

<sup>&</sup>lt;sup>7</sup> San Diego Gas & Electric Company, <u>San Diego Gas & Electric 2025 Petition to Amend</u>, page 3, Published April 10, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58234&shareable=true).

<sup>&</sup>lt;sup>8</sup> San Diego Gas & Electric Company, <u>San Diego Gas & Electric 2025 Petition to Amend</u>, page 5, Published April 10, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58234&shareable=true).

Table 1. Determinations for SDG&E-Requested Amendments

Tracking ID and Title	Amendment Requested	Determination	Rationale
WMP.549 Distribution Communication Reliability Improvement (2024)	SDG&E proposes completing 5 base stations in 2024, versus the approved 60 base stations, for cost efficiency and affordability.	Denied	SDG&E did not show good cause for the amendments requested in the petition. The performance period had elapsed.
WMP.468 Standby Power Program (2024)	SDG&E proposes providing 58 generators in 2024, versus the approved 300 generators, for cost efficiency and affordability.	Denied	SDG&E did not show good cause for the amendments requested in the petition. The performance period had elapsed.
WMP.552 Drone Assessments (2024)	SDG&E proposes conducting 6,500 inspections in 2024, versus the approved 13,500 inspections, for cost efficiency and affordability.	Denied	SDG&E did not show good cause for the amendments requested in the petition. The performance period had elapsed.
WMP.481 Distribution Infrared Inspections (2024)	SDG&E proposes conducting 300 inspections in 2024, versus the approved 9,532 inspections, for cost efficiency and affordability, and due to a 0.2 percent find rate.	Denied	SDG&E did not show good cause for the amendments requested in the petition. The performance period had elapsed.

Tracking ID and Title	Amendment Requested	Determination	Rationale
WMP.497 Fuel Management (2024)	SDG&E proposes reducing this program to 150 poles in 2024, versus the approved 500 poles, for cost efficiency and affordability.	Denied	SDG&E did not show good cause for the amendments requested in the petition. The performance period had elapsed.
WMP.473 Strategic Undergrounding (2025)	SDG&E proposes to install 28 miles of undergrounding, versus the approved 125 miles, consistent with the GRC decision.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines.
WMP.455 Covered Conductor (2025)	SDG&E proposes to install 50 miles of covered conductor, versus the approved 40 miles, consistent with the GRC decision.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines.
WMP.1189 Strategic Pole Replacement Program (2025)	SDG&E proposes to replace 200 poles, versus the approved 291 poles, to further align WMP programs with the GRC decision.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines. While this target change will result in less risk reduced, SDG&E's distribution poles have low failure and ignition rates.  Additionally, the proposed target is consistent with Energy Safety's approval of a 200-pole target in SDG&E's 2023-2025 Base WMP prior to SDG&E

Tracking ID and Title	Amendment Requested	Determination	Rationale
			raising the target to 291 poles in its 2025 WMP Update. <sup>9</sup>
WMP.543 Transmission OH Hardening (2025)	SDG&E proposes to harden 2 miles, versus the approved 4.64 miles, due to a dependency on distribution underbuild that was previously scoped for strategic undergrounding but will no longer be performed in 2025 due to the undergrounding program reductions.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines.
WMP.550 Lightning Arrester Removal/ Replacement (2025)	SDG&E proposes to install or replace 90 lighting arrestors, versus the approved 1,848, to deploy them with the deployment of covered conductor and continue to replace them as needed, rather than proactive deployment.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines. While this target change will result in less risk reduced, SDG&E's lightning arrestors demonstrated low failure and ignition rates from 2022 to 2024.

<sup>&</sup>lt;sup>9</sup> San Diego Gas & Electric Company, <u>2025 Wildfire Mitigation Plan Update</u>, page 32, Published April 2, 2024, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=56449&shareable=true).

Tracking ID and Title	Amendment Requested	Determination	Rationale
WMP.464 Connectors, including hotline clamps; WMP.972 Avian Protection; WMP.459 Expulsion Fuse Replacement (2025)	SDG&E proposes the following target reductions:  • WMP.464: 950 → 100 hotline clamps • WMP.972: 200 → 95 poles • WMP.459: 700 → 80 fuses  SDG&E identifies that it intends to deploy these mitigations with the deployment of covered conductor and continue to replace them as needed, rather than proactive deployment.	Denied	This request does not meet the requirements set forth in Chapter IV of the WMP Guidelines. This request does not align with the GRC decision. The GRC decision authorized SDG&E's full request for this activity. <sup>10</sup> Furthermore, SDG&E did not show good cause for the amendments requested in the petition. SDG&E has identified distribution connectors as having high failure and ignition rates. SDG&E has reported 11 ignitions in the HFTD from animal contact from 2022 through 2024, with 5 occurring in 2024. SDG&E has identified that distribution fuses and cutouts as having high ignition rates. With 97 less miles scoped for undergrounding and only ten additional miles scoped for covered conductor, it is not clear that SDG&E's approach will sufficiently reduce risk.
WMP.549 Distribution Communication Reliability	SDG&E proposes to install 5 base stations, versus the approved 42 base stations, to further align WMP programs with the GRC.	Approved	The request meets all required criteria of Chapter IV of the WMP Guidelines.

<sup>&</sup>lt;sup>10</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, page 485, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/Published/G000/M550/K485/550485071.pdf).

Tracking ID and Title	Amendment Requested	Determination	Rationale
Improvement (2025)			
WMP.552 Drone Assessments (2025)	SDG&E proposes conducting 6,500 inspections, versus the approved 13,500 inspections, for cost efficiency and affordability.  SDG&E also identified that the reevaluated number was aimed to balance expected risk reduction with expected repair and replacement costs and timelines. <sup>11</sup>	Denied	This request does not meet the requirements set forth in Chapter IV of the WMP Guidelines. This request does not align with the GRC decision. The GRC decision authorized SDG&E's full request for this activity. 12 Furthermore, SDG&E did not show good cause for the amendment requested in the petition. SDG&E's find rate for drone inspections is considerably greater than its find rate for detailed inspections. This proposal would likely result in a significant amount of risk left unidentified.
WMP.494 Detailed Vegetation Inspections (2025)	SDG&E proposes conducting 255,000 inspections, versus the approved 485,400 inspections, to reflect only inspections conducted in HFTD, consistent with the GRC decision.	Denied	This request does not meet the requirements set forth in Chapter IV of the WMP Guidelines. The request does not align with the GRC decision. The GRC authorized less funding than SDG&E's GRC request based on a lower forecast cost, not a

<sup>&</sup>lt;sup>11</sup> San Diego Gas & Electric Company, <u>SDG&E Response OEIS-P-WMP 2025-SDGE-04</u>, Question 9, Published May 22, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58533&shareable=true).

<sup>&</sup>lt;sup>12</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, pages 486 & 493, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf).

Tracking ID and Title	Amendment Requested	Determination	Rationale
			reduced scope of work. <sup>13</sup> SDG&E identified that this work is eligible to be booked in its Vegetation Management Memorandum Account (VMMA). <sup>14</sup> SDG&E may have an opportunity to recover costs through the VMMA above those authorized in the GRC if SDG&E is able to demonstrate that its assumptions on unit cost were justified. The GRC Decision did not direct SDG&E to only include inspections conducted in HFTD in its WMPs; rather, the GRC decision included both HFTD and non-HFTD vegetation inspections in its Wildfire Mitigation and Vegetation Management authorizations. <sup>15</sup>
WMP.512 Pole Clearing (2025)	SDG&E proposes clearing 22,000 poles, versus the approved 33,100 poles, as it intends in 2025 to begin	Denied	This request does not meet the requirements set forth in Chapter IV of the WMP Guidelines. This request does not align with the GRC decision. The

<sup>13</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, pages 491-493, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf).

<sup>&</sup>lt;sup>14</sup> San Diego Gas & Electric Company, <u>SDGE Response OEIS-P-WMP 2025-SDGE-04</u>, Question 11, Published May 22, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58533&shareable=true).

<sup>&</sup>lt;sup>15</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, pages 491-494, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf).

Tracking ID and Title	Amendment Requested	Determination	Rationale
	including only poles that are not exempt from Public Resources Code § 4292 requirements.		GRC authorized a lower request due based on a lower forecast cost for the work, not a reduction in its scope. <sup>16</sup> SDG&E identified that this work is eligible to be booked in its Vegetation Management Memorandum Account (VMMA). <sup>17</sup> SDG&E may have an opportunity to recover costs through the VMMA above those authorized in the GRC if SDG&E is able to demonstrate that its assumptions on unit cost were justified.

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<sup>&</sup>lt;sup>16</sup> California Public Utility Commission, <u>Decision addressing the 2024 test year general rate cases of Southern California Gas Company and San Diego Gas & Electric Company</u>, D. 24-12-074, pages 489-490, Published December 23, 2024, URL: (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M550/K485/550485071.pdf).

<sup>&</sup>lt;sup>17</sup> San Diego Gas & Electric Company, <u>SDGE Response OEIS-P-WMP 2025-SDGE-04</u>, Question 11, Published May 22, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58533&shareable=true).

## **Summary**

Energy Safety denies the five SDG&E amendment requests affecting targets for the following 2024 initiatives:

- WMP.549: Distribution Communication Reliability Improvement
- WMP.468: Standby Power Program
- WMP.552: Drone Assessments
- WMP.481: Distribution Infrared Inspections
- WMP.497: Fuel Management

Energy Safety approves six of SDG&E's 17 amendment requests, affecting targets for the following 2025 initiatives:

- WMP.473: Strategic Underground
- WMP.455: Covered Conductor
- WMP.1189: Strategic Pole Replacement Program
- WMP.543: Transmission OH Hardening
- WMP.550: Lightning Arrester Removal/ Replacement
- WMP.549: Distribution Communication Reliability Improvement

Energy Safety denies six of SDG&E's 17 amendment requests, affecting the following 2025 initiatives:

- WMP.464: Connectors, including hotline clamps
- WMP.972: Avian Protection
- WMP.459: Expulsion Fuse Replacement
- WMP.552: Drone Assessments
- WMP.494: Detailed Vegetation Inspections
- WMP.512: Pole Clearing

Energy Safety finds SDG&E did not associate any amendments with WMP.462 Microgrids.

## **Next Steps**

In accordance with the WMP Guidelines, SDG&E must include only the amendments to the approved targets and the projected or planned expenditure changes associated with the approved targets in future submissions to Energy Safety. SDG&E must revise its data

reporting to reflect approved changes to WMP activity and financial targets according to Data Guidelines v4.01.18

SDG&E must revise its last approved Base WMP to reflect only the approved target amendments for 2025, as noted above. SDG&E must revise Table 4-1: Summary of WMP Expenditures and Figure 4-1: Summary of WMP Expenditures to only reflect changes to planned expenditures that are associated with the approved target amendments, as identified in Attachment A of its Petition to Amend. SDG&E must submit the revised 2023-2025 Base WMP to the 2023-2025 Wildfire Mitigation Plan docket (#2023-2025-Base-WMPs)<sup>19</sup> no later than July 25, 2025.

Sincerely,

Nicole Dunlap

Program Manager | Electrical Safety Policy Division

Office of Energy Infrastructure Safety

<sup>18</sup> Office of Energy Infrastructure Safety, <u>Energy Safety Data Guidelines v4.01</u>, Published March 21, 2025, URL: (https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58132&shareable=true).

<sup>&</sup>lt;sup>19</sup> Office of Energy Infrastructure Safety, <u>2023 - 2025 Electrical Corporation Wildfire Mitigation Plans docket</u>, Accessed April 10, 2025, URL:

<sup>(</sup>https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2023-2025-WMPs).