BEFORE THE OFFICE OF ENERGY INFRASTRUCTURE SAFETY OF THE STATE OF CALIFORNIA

COMMENTS OF THE UTILITY REFORM NETWORK ON THE DRAFT DECISION ON PACIFIC GAS AND ELECTRIC COMPANY'S 2026–2028 WILDFIRE MITIGATION PLAN



A Mireille Fall, Staff Attorney
THE UTILITY REFORM NETWORK
360 Grand Ave, #150
Oakland, CA 94602
(415) 929-8876 (office)

afall@turn.org

Eric Borden, Principal Associate **Synapse Energy Economics** 485 Massachusetts Ave, Suite 3 Cambridge, MA 02139 eborden@synapse-energy.com

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COMMENTS OF THE UTILITY REFORM NETWORK ON THE DRAFT DECISION ON PACIFIC GAS AND ELECTRIC COMPANY'S 2026-2028 WILDFIRE MITIGATION PLAN

The Utility Reform Network ("TURN") submits these comments on the Draft Decision on the 2026–2028 Wildfire Mitigation Plan ("WMP") of Pacific Gas and Electric Company ("PG&E") issued by the Office of Energy Infrastructure Safety ("Energy Safety" or "OEIS") on November 26, 2025.

I. INTRODUCTION AND SUMMARY

On November 26, 2025, Energy Safety issued its Draft Decision on PG&E's 2026-2028 Wildfire Mitigation Plan (Draft Decision). The Draft Decision approves PG&E's WMP but notes that there are areas that need better documentation. TURN commends OEIS for its well-reasoned analysis but believes some further revisions would strengthen the decision.

Specifically, TURN requests that the Draft Decision be revised to (1) explicitly require PG&E to demonstrate that undergrounding is selected only when its unscaled Cost-Benefit Ratio (CBR) exceeds the CBR of alternatives, and (2) commit OEIS to coordination with the CPUC so that undergrounding proposals are evaluated using consistent cost-effectiveness methodologies.

II. THE DRAFT DECISION SHOULD BE REVISED TO REQUIRE PG&E TO ELIMINATE ITS CONTINUED BIAS TOWARD UNDERGROUNDING IN ITS GRID HARDENING DECISION PROCESS

TURN appreciates Energy Safety's detailed review of PG&E's 2026–2028 Base Wildfire Mitigation Plan and its recognition that PG&E continues to face significant analytical and methodological deficiencies across multiple elements of its wildfire-mitigation framework.² While the Draft Decision provides thorough and compelling analysis of the shortcomings of

¹ OEIS Draft Decision, p. i.

² OEIS Draft Decision, pp. i, 96.

PG&E's analytical framework to assess undergrounding, it requires only that "PG&E present a plan to improve its capabilities for modeling tree strike potential, ingress and egress concerns, and community vulnerability" within its risk models to accurately assess the CBR of undergrounding versus alternatives.³ While this is certainly worthwhile, it does not resolve a core, recurring problem identified by TURN throughout this proceeding: PG&E's mitigation-selection framework continues to structurally favor undergrounding over more cost-effective alternatives that also reduce risk by as much or almost as much as undergrounding. PG&E's use of convoluted and opaque decision trees and CBR thresholds are simply a way to find quantitative backup for the qualitative selection of PG&E's preferred mitigation, undergrounding.

The Draft Decision's approach does not go far enough in resolving these fundamental flaws. First, OEIS should clearly oppose the utility's efforts to cover up PG&E's decision-making with non-rigorous analytical tools and should state so in its decision. Second, OEIS should state a preference for more straightforward comparisons between CBRs for mitigation selection. As it stands, PG&E could update its modeling per OEIS's directive, but its decision-making would remain the same.

As TURN explained in its opening comments on the Base WMP and its comments on PG&E's Revision Notice Response, the issues with PG&E's WMP are not discrete or technical in isolation.⁴ They operate together to produce outcomes that are inconsistent with transparent, risk-based decision-making and that undermine the ability of Energy Safety and stakeholders to evaluate whether PG&E's proposed spending reflects the most efficient use of ratepayer funds.

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³ OEIS Draft Decision, p. 22.

⁴ See, generally, Comments of The Utility Reform Network on Pacific Gas and Electric Company's 2026-2028 Wildfire Mitigation Plan Response to Revision Notice, Aug. 12, 2025.

The Draft Decision identifies many of these elements individually, but it does not grapple with how they interact in practice or impose corrective direction sufficient to constrain PG&E's future mitigation choices. OEIS should modify the Draft Decision as indicated below to address the multiple sources of bias towards undergrounding in PG&E's grid hardening decision process.

A. The Draft Decision Should Require PG&E to Use Consistent and CPUC-Aligned CBR Methodology

The Draft Decision devotes substantial discussion to PG&E's use of Cost-Benefit Ratios and its decision tree for grid-hardening selection, including the utility's reliance on a 50 percent CBR threshold when comparing undergrounding to covered conductor (CC) combined with Enhanced Powerline Safety Settings (EPSS). The Draft Decision correctly observes that PG&E's framework permits undergrounding even when its CBR is half that of CC+EPSS, meaning that undergrounding may be selected even when it delivers materially less risk reduction per dollar. The Draft Decision also appropriately questions PG&E's reliance on a Class 5 cost estimate to justify this threshold, noting that such estimates are intended for early conceptual screening and carry wide uncertainty ranges that are ill-suited to decisions involving mature, well-understood mitigation options such as undergrounding and covered conductor. 6

TURN previously explained that this threshold is not a neutral analytical tolerance but a policy choice that systematically advantages undergrounding. PG&E applies only the lower-bound uncertainty of the Class 5 estimate to justify selection of undergrounding, while disregarding the corresponding risk that undergrounding costs may significantly exceed estimates. As TURN noted in its comments on the Revision Notice Response, this asymmetrical

⁵ OEIS Draft Decision, Section 6.1.2.1, pp. 18-19.

⁶ OEIS Draft Decision, p. 19.

treatment of uncertainty biases the analysis toward capital-intensive projects and obscures the real likelihood that undergrounding costs will materially exceed those of CC+EPSS.⁷ The Draft Decision acknowledges this concern but stops short of rejecting the threshold or directing PG&E to revise its decision framework accordingly. OEIS should modify the Draft Decision to reject PG&E's CBR threshold approach and instead require PG&E to employ a CBR methodology that is aligned with the CPUC adopted CBR approach.

B. The Draft Decision Should Require PG&E to Present Unscaled CBR Calculations with the Use of Net Benefit

The problem with PG&E's CBR threshold is compounded by PG&E's continued use of Net Benefit analysis and risk-averse scaling functions alongside CBRs. As the Draft Decision explains, Net Benefit is not part of the CPUC's Risk-Based Decision-Making Framework and lacks standardized parameters. PG&E nonetheless uses Net Benefit as a parallel economic screen, even as it applies consequence-scaling functions that heavily weight low-frequency, high-consequence events. The Draft Decision recognizes that this interaction can amplify perceived benefits and calls for future sensitivity analysis, but it does not require PG&E to demonstrate how mitigation selections would differ absent scaling or to present unscaled CBRs as the controlling metric.

TURN previously warned that layering Net Benefit and risk-averse scaling on top of already permissive CBR thresholds further erodes transparency. When cost-effectiveness metrics are modified by scaling functions and then combined with non-standard economic

⁸ OEIS Draft Decision, p. 20.

⁷ Comments of The Utility Reform Network on Pacific Gas and Electric Company's 2026-2028 Wildfire Mitigation Plan Response to Revision Notice, pp. 4-6.

⁹ Opening Comments of The Utility Reform Network on Pacific Gas and Electric Company's 2026-2028 Wildfire Mitigation Plan, pp. 6-8.

measures, it becomes impossible to discern whether undergrounding is being selected because it is more effective, or because analytical choices have inflated its apparent benefits. Without a clear requirement that unscaled CBRs anchor mitigation decisions, PG&E retains broad discretion to justify outcomes without demonstrating proportional value. OEIS should accordingly require PG&E to present unscaled CBR calculations with the use of Net Benefit in its Next WMP Update.

C. The Draft Decision Should Prohibit Skewed Models

The Draft Decision also addresses PG&E's use of additional decision thresholds for tree strike potential, ingress and egress concerns, and community vulnerability. The Draft Decision correctly notes that these factors are already incorporated, at least in part, within PG&E's risk models and that PG&E's reliance on external thresholds reflects a lack of confidence in its modeling capabilities. The Draft Decision further acknowledges that these thresholds create multiple, poorly defined pathways to an "underground preferred" outcome and limit the ability to weigh these concerns against other quantified risk drivers.

TURN emphasized in both of its prior comment filings that this structure allows PG&E to double-count certain risk factors while bypassing others entirely. Rather than improving model fidelity and transparency, PG&E has layered qualitative overrides on top of quantitative outputs, resulting in a decision process that is neither reproducible nor balanced. While the Draft Decision directs PG&E to improve its models in future filings, it permits continued reliance on these thresholds in the interim. TURN submits that this approach entrenches bias rather than correcting it. If PG&E's models are inadequate, the solution must be to fix the models, not to substitute discretionary decision rules that skew mitigation selection. Hence, OEIS should

modify the Draft Decision to require PG&E to eliminate the additional decision thresholds for tree strike potential, ingress and egress concerns, and community vulnerability now.

D. The Draft Decision Should Prohibit the use of PG&E's Flawed Wildfire Benefit Cost Analysis Tool

Relatedly, the Draft Decision acknowledges that PG&E provides effectiveness values for only a subset of mitigation activities and continues to rely on its internally developed Wildfire Benefit Cost Analysis (WBCA) tool. TURN has repeatedly raised concerns that PG&E's WBCA is not aligned with CPUC-adopted frameworks and lacks sufficient transparency to allow independent evaluation. While the Draft Decision requires additional collaboration and reporting, it does not clearly require PG&E to reconcile WBCA outputs with standardized CBR methodologies or to demonstrate how effectiveness values are calculated in a manner consistent with regulatory expectations.

The cumulative effect of these analytical choices is especially problematic given PG&E's own findings, which the Draft Decision summarizes, that operational mitigations such as PSPS and EPSS mitigate the majority of wildfire risk and that PG&E increasingly understands the tradeoffs between wildfire risk and reliability. TURN previously demonstrated that CC+EPSS can achieve ignition-risk reduction levels comparable to undergrounding at a fraction of the cost and often much quicker than undergrounding. Yet PG&E's framework continues to allow undergrounding to be selected without a clear showing of incremental benefit commensurate with its substantially higher cost. The Draft Decision does not directly confront this inconsistency or require PG&E to justify undergrounding on a strictly comparative basis with alternatives.

As noted in the Draft Decision, "[w]hile Net Benefit analysis can supplement CBR analysis by providing additional insights into the benefits of mitigations, scaling factors may

exaggerate Net Benefit values in a way that overemphasizes certain mitigation activities."¹⁰

TURN therefore requests that the Final Decision explicitly require PG&E to demonstrate that undergrounding is selected only when its unscaled CBR materially exceeds the CBR of CC+EPSS. The Final Decision should further require PG&E to eliminate or strictly limit external decision thresholds once the relevant risk factors are incorporated into validated models, rather than allowing those thresholds to persist indefinitely.

III. THE DRAFT DECISION SHOULD INCLUDE A COMMITMENT FROM OEIS TO COORDINATE WITH THE CPUC TO ALIGN THE DISPARATE WILDFIRE PROCEEDINGS

Finally, TURN reiterates its concern regarding the lack of alignment between the WMP process and undergrounding review under Senate Bill 884 (SB 884) and the Electric Undergrounding Program (EUP). While the Draft Decision notes forthcoming statutory changes under SB 254, 11 it does not address the growing fragmentation of wildfire-mitigation planning across multiple venues. As TURN explained in its prior comments, PG&E's undergrounding proposals increasingly span WMPs, SB 884 proceedings, and CPUC risk-spend reviews, often using different assumptions and analytical frameworks. Absent coordination, stakeholders are left to track wildfire-mitigation spending and risk reduction across disparate processes without a coherent, consolidated record. It remains important that undergrounding proposals are evaluated using consistent cost-effectiveness methodologies, shared risk-model inputs, and unified reporting of wildfire-mitigation expenditures. Alignment across these processes is necessary to ensure transparency, prevent duplicative analysis, and allow meaningful evaluation of PG&E's wildfire-mitigation portfolio as a whole. OEIS should revise the Draft Decision to include its

¹⁰ OEIS Draft Decision, p. 20.

¹¹ OEIS Draft Decision, p. 3.

commitment to coordinate with the CPUC to ensure as much cohesion as possible across these

proceedings as they develop.

More specifically, OEIS should commit to coordinating with the CPUC so that

undergrounding proposals submitted in WMPs use the same CBR methodology the CPUC

requires in the EUPs, and PG&E is required to identify which segments that appear in its WMP

are included in its EUP application. Such coordination would minimize duplicative tracking of

undergrounding, CC+EPSS, vegetation management, and PSPS-mitigation investments.

IV. CONCLUSION

TURN respectfully requests that the Final Decision incorporate the changes outlined

above to ensure that PG&E's wildfire-mitigation strategy is transparent, analytically supported,

cost-effective, and aligned with forthcoming SB 884 and SB 254 processes. For the reasons set

forth above, Energy Safety should modify the Draft Decision as described in these comments.

Date: December 17, 2025 Respectfully submitted,

By: /s/
A Mireille Fall

A Mireille Fall Staff Attorney

THE UTILITY REFORM NETWORK

Phone: (415) 929-8876 Email: afall@turn.org

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