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SUBJECT: Southern California Edison Company's Response to the Final Independent Evaluator Annual Report on Compliance with SCE's 2020 Wildfire Mitigation Plan

Director Thomas Jacobs,

Pursuant to the Wildfire Safety Division 2021 Guidance on Engagement of Independent Evaluators issued on April 6, 2021 (2021 IE Guidance), Southern California Edison Company (SCE) is providing its response to the Final Independent Evaluator (IE) Annual Report on Compliance with SCE's 2020 Wildfire Mitigation Plan prepared by NV5/Guidehouse (IE Report).[1]

INTRODUCTION

SCE appreciates the opportunity to provide its response to the IE Report. As acknowledged by the Office of Energy Infrastructure Safety (Energy Safety)[2] in its 2021 IE Guidance, "several factors combine to contribute to unique challenges for the inaugural IE process in 2021."[3] SCE recognizes the effort required of NV5/Guidehouse team to conduct its review within a very compressed schedule.

The IE found "SCE has undertaken considerable efforts to prevent ignitions and mitigate the impact of wildfire across its substantial service territory" and "that SCE is largely

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[1] On July 19, 2021, Energy Safety issued a memorandum extending the deadline for public comments and the electrical corporations' responses to the Final IE Reports to August 6 and August 16, respectively.

[2] Throughout this document, SCE will use Energy Safety to also mean its predecessor the CPUC Wildfire Safety Division.

[3] These factors included: (1) "2021 is the first time this IE process is being executed and the nascent nature of the effort will inevitably lead to unanticipated questions and obstacles," (2) the "limited time between the publication of the list of qualified IEs and the deadline for publication of the IE Annual Report of Compliance (ARC)," and (3) WSD's transition to the Energy Safety on the same day as the final IE Reports are issued. IE Guidance Document, p. 2

achieving the reviewed initiative objectives, is not failing to fund the portfolio of its initiatives, and lastly, appears to be following its QA/QC processes."[4] In addition, "the IE determined, with reasonable certainty, SCE achieved a majority of WMP initiative Activity objectives and provided evidence for those that missed targets."[5] While the IE did not review all of SCE's WMP initiatives, the final report "represents a review of most of the highest risk elements of their WMP, as determined by the IE."[6]

In recognition of the compressed schedule,[7] SCE prepared initial compliance evidence for each of its 69 2020 WMP activities. SCE provided an initial evidence guide and 119 files of evidence to NV5 on May 25, 2021 shortly after they commenced their review.[8] In addition, during the review, SCE responded to eight data requests (comprised of 142 questions). SCE responded to all data requests within the 3-business day requirement except for one question, which was large in scope and had a 24-hour response request time just ahead of the draft IE Report due date. In response to the IE's data requests, SCE provided over 250 files of detailed spreadsheets, documents and other evidence supporting its compliance. SCE understands the IE was not able to review much of this evidence given the compressed review schedule.

SCE is confident that with additional time to review the extensive evidence provided and the ability to ask follow up questions and conduct subject matter expert interviews, the IE would have been able to verify SCE met or exceeded its 2020 WMP activity targets, except for those specific activities where SCE stated in its Annual Report on Compliance that it did not meet 100% completion of its targets.

The following sections address: (1) SCE's response to specific findings where the IE was not able to reach a conclusion on SCE's 2020 performance; (2) suggestions for improvements to the IE review process; and (3) Mussey Grade Road Alliance's (MGRA) and the Public Advocates Office's (Cal Advocates) comments on the IE Reports.

SCE RESPONSE ON SPECIFIC IE FINDINGS

The following section addresses each of the IE findings where the IE determined they could not reach a determination due to "an inability to validate the evidence during the

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[4] IE Report, p. 3.

[5] IE Report, p. 54.

[6] IE Report, p. 54.

[7] The schedule for SCE's IE was further compressed because on April 20, 2021, Energy Safety delisted Green Grid from the list of qualified IEs having hired Green Grid as their Compliance Assurance Consultant. On April 21, 2021, SCE notified Energy Safety that it was currently in negotiations with Green Grid to be its IE and that as a result of the delisting, SCE would have to reissue its request for quotations to the remaining eligible IEs. This resulted in a several-week delay in SCE's hiring of an IE.

[8] This initial compliance evidence was submitted by SCE to help expedite the review process given the compressed timing but was not provided in response to a data request from NV5 as characterized throughout the IE Report.

review period, a lack of or insufficiency of evidence, or funding below the planned 2020 targets."[9] As shown below, SCE did provide evidence and SCE believes that if the IE had additional time, the finding would have been resolved and the IE would have been able to determine that SCE met or exceeded its target.

SH-1 Covered Conductor

SCE Identifier	IE Finding	IE Detail on finding
SH-1	Due to time constraints, the IE was unable to make a final determination if SCE has met the entire program target	The IE recommends further exploration into the work orders associated with the Covered Conductor Installation, as well as possible SME interview to gain a better understanding of how line miles are tracked upon completion of work and how installation dates are recorded.

The IE incorrectly stated that "there were no dates listed in the report nor was there clear evidence to demonstrate how many circuit miles were covered."[10] In file ***SH-1 Covered Conductor***, SCE provided a listing of the covered conductor-related work orders that were completed in 2020. This file included the mileage, date completed and circuit name for each work order. This file showed that total miles of covered conductor installed in 2020 exceeded the target. In response to data request 3, SCE supplemented its original response with file ***SH-1 Covered Conductor_Supplemental*** which provided locational information (Lat/Long, city) for the structures associated with the ***SH-1 Covered Conductor*** work orders. Review of the two SH-1 evidence files and/or SME interviews would have resolved these issues and supported a finding of SCE compliance for this activity.

In addition, the IE drew an inaccurate conclusion based on two inspected structures where they stated the work was performed in 2021.[11]

- Structure 1248624E: The IE is correct that the covered conductor on this structure was installed in 2021,[12] however, this structure was not part of the covered conductor work reflected in SCE's data for 2020 completed covered conductor. It appears the IE identified this structure from the file named ***VM-2***

[9] IE Report, p. 4.

[10] IE Report, p. 20.

[11] "The IE surveyed the sample locations within SCE's service area. As seen in Table 7 two of the 23 assets surveyed received unsatisfactory results due to one location where the inspector spoke to SCE staff onsite and was told the covered conductors were installed the day prior to the visit, and another location where the covered conductor work was likely not completed in 2020 based upon the pole tag indicating the work was performed in 2021." IE report, p. 21

[12] Installation of covered conductor for the work order associated with Structure 1248624E commenced on June 2, 2021 and has not yet been completed. The IE conducted its field inspections between June 9, 2021 and June 11, 2021.

Expanded Pole Brushing, since this structure was in-scope for 2020 pole brushing. This structure should be removed from the sample for SH-1 Covered Conductor since it is not part of the relevant population.

- Structure 1685578: This structure is SCE Structure 250891E.[13] The IE has drawn the incorrect conclusion regarding the installation date of covered conductor on this structure based on a 2021 pole tag on the pole. The covered conductor on this structure was completed in 2020 as part of work order TD1685578 as shown in the files provided by SCE. Although the photographs contained in the IE's inspection report are not clear enough to depict the referenced "2021 pole tag," SCE does not place tags on poles for covered conductor work where poles are not replaced. However, it is common practice to apply tags confirming completion of intrusive pole testing, which was performed on this particular structure in 2021. Accordingly, the 2021 pole tag is unrelated to the installation of the covered conductor.

Except for the one structure the IE inspected in error, the IE found that all of the remaining structures inspected for covered conductor were "compliant."[14] SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery and if SCE was able to review the draft audit report.

Table 7 also noted two instances where the IE identified potential issues related to structure 11856 (lacking GO 95 proper signage) and structure 5965 (vegetation encroaching within PRC 4292 clearance zone).

- Structure 11856: This structure is SCE Structure 2139919E.[15] Pursuant to an email from the IE, this structure is missing a high voltage sign. SCE has inspected Structure 2139919E and verified the structure has the appropriate high voltage signs installed on all primary crossarms in compliance with GO 95 Rule 51.6.
- Structure 5965: This structure is SCE Structure 2229543E.[16] This structure was also identified in Table 10 for VM-2 Expanded Pole Brushing. As discussed in connection with VM-2 Expanded Pole Brushing below, this structure was brushed on 2/19/2020 and has not yet been brushed in 2021 due to a pending environmental review. It is important to note that while this pole is in-scope for

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[13] It appears the IE inadvertently identified the Work Order number (TD1685578) as the structure number. Based on the pictures provided in the IE Inspection Report for this structure, SCE was able to confirm it is SCE Structure 250891E.

[14] IE Report, Table 7, pp. 21 & 22.

[15] SCE assumes IE identified Structure 11856 is SCE Structure 2139919E based on the Lat/Long shown in the pictures contained in the IE Inspection Report. Unfortunately, the pictures included in the report are not clear enough to show the structure number.

[16] Based on the photos provided in the IE inspection report, this is SCE Structure 2229543E which is also included in Table 8 as a separate structure.

Activity VM-2, it is not subject to PRC 4292. A discussion on why field verification of the pole brushing activity is not valid is contained in the section below related to the finding for VM-2 Expanded Pole Brushing.

SH-3 Fire Resistant Poles

SCE Identifier	IE Finding	IE Detail on finding
SH-3	The IE was unable to make a complete verification of all hardening efforts and replacements due to the limitations of the accelerated evaluation period.	The IE recommends further analysis of this data, more validation inquiries and validation of pole replacements to determine if the committed number of poles for remediation for 2020 were all executed.

SCE acknowledges the challenges the IE had in verifying the installation of fire-resistant poles. In many cases, the replacement of an existing pole with a fire-resistant pole is determined in the field when covered conductor installation or other activities are being performed. When this happens, the crew manually notate the replacement on the applicable hard-copy work order map. These notated work order maps are submitted when all the work associated with the specific work order is complete. Once submitted, the work is verified, and the relevant data is uploaded into SCE's system of record and its electronic system maps. This process can take numerous months. Therefore, not all of the fire-resistant poles installed during 2020 had complete information (e.g., circuit name) at the time SCE responded to the data request.[17]

In Table 8, the IE identifies two poles (Structures 29988[18] and 4844183E) as "wood poles." These structures were not identified in SCE's files related to fire resistant poles as being replaced in 2020. However, the two structures were included in the file named ***VM-2 Expanded Pole Brushing*** as being pole brushed in 2020. SCE is not sure why the IE included these structures in their sample for fire resistant poles. These structures should be removed from the sample for SH-3 Fire Resistant Poles given that they are not part of the relevant population for this activity.

In addition, the IE noted that Structure 4844183E was "missing date tag." As discussed above, the date tag does not have anything to do with SCE's WMP system hardening activities since the pole tag is typically related to when an intrusive inspection was performed on the pole.

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[17] In its 2021 WMP Update, the fire-resistant pole activity (SH-3) was merged into the covered conductor program (SH-1) as covered conductor scope determines when new FRP installations are required. Thus, in 2021, SCE does not have a separate target for SH-3.

[18] The IE Inspection Report only provides one photo of this pole. However, based on the Lat/Long shown in the Inspection Report, it appears this is SCE Structure 1770314E. This structure was not included in SCE's system hardening related files for 2020. However, it was included in the file named ***VM-2 Expanded Pole Brushing*** as being pole brushed in 2020.

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

In addition, in Table 8, the IE notes for Structure 2068194E that the "[s]ignage facing 90° from road" but does not provide any further detail about what signage and what requirement is allegedly violated. SCE has inspected this structure and determined Structure 2068194E is a secondary pole. The only "signage" on this pole is a yellow pole tag that is facing 90 degrees away from the street. There are no specific GO 95 rules pertaining to markings, such as pole tags. Thus, the direction these signs/markings face is discretionary and not a compliance matter.

Finally, in Table 8, the IE also noted 11 structures where they identified vegetation within 10 feet of the pole. The table below provides the dates on which each of these structures was pole brushed in 2020 and the status of their 2021 pole brushing. The structures identified in red were also shown in Table 10 related to pole brushing. A discussion on why field verification of the pole brushing activity is not valid is discussed below under the finding for VM-2 Expanded Pole Brushing.

Pole ID	IE Asset Compliance	IE Notes	*2020 Brushing*	*2021 Brushing Status*[19]
1675530E	Compliant	Vegetation with 10' of pole	7/27/2020	Pending: Environmental Hold
1453458E	Compliant	Vegetation with 10' of pole	8/17/2020	Pending: Environmental Review
1082189E	Compliant	Vegetation with 10' of pole	9/30/2020	Pending: Environmental Hold
1996036E	Compliant	Vegetation with 10' of pole	3/21/2020	Completed: 6/21/2021
4611316	Compliant	Vegetation with 10' of pole	7/28/2020	Pending: Environmental Review
4373479E	Compliant	Vegetation with 10' of pole	8/6/2020	Pending: Environmental Review
4129823E	Compliant	Vegetation with 10' of pole	7/27/2020	Pending: Environmental Review
1523425E	Compliant	Vegetation with 10' of pole	7/28/2020	Pending: Environmental Review
1534930E	Compliant	Vegetation with 10' of pole	2/25/2020	Pending: Environmental Approval
1523427E	Compliant	Vegetation with 10' of pole	7/28/2020	Pending: Environmental Review
1537930E	Compliant	Scrub brush within 10' radius of pole	Not in scope[20]	

[19] Reflects the pole brushing status as of July 2, 2021. Environmental Hold and Environment Review signify that the environmental approval to proceed with the pole brushing for that structure has not yet been received. Environmental Approval signifies that the environmental review process has been completed and the pole brushing for that structure is pending.

[20] This structure is a combination distribution/transmission pole. Thus, it is not in scope for SCE's VM-2 Expanded Pole Brushing activity.

SH-10 Tree Attachment Remediation

SCE Identifier	IE Finding	IE Detail on finding
SH-10	--The IE did not include its SH-10 finding in the Insufficient Findings Table of the IE Report--	Based on sampling evidence reviewed, the IE has reasonable assurance that the minimum 325 tree attachment remediations have been performed, but it is unclear if the remediations were performed in 2020. The IE recommends that WSD investigate this issue further.

The IE stated they had "reasonable assurance that the minimum 325 tree attachment remediations have been performed, but it is unclear if the remediations were performed in 2020." As further discussed, the IE stated that "26 of the 29 sampled remediations shows 'part of fire remediation' under the 'completed date' column in the ***SH-10 Tree Attachments.xlsx*** file provided in *Data Request 1*."[21] In addition, the IE stated it "could not verify recorded costs related to the 29 sampled tree attachment remediations."[22]

Over 380 (or approximately 90%) of the tree attachments remediated in 2020 were remediated as a result of the Creek and Castle fires that destroyed a massive amount of SCE infrastructure in the Shaver Lake and Sequoia National Forest areas. Historically, these areas utilized trees to help support distribution conductors. In response to emergent fire restoration requirements, over 380 tree attachments were identified during fire damage assessments. In lieu of traditional work order documents, teams worked quickly to assess and rebuild the damaged infrastructure. Evidence including project trackers and damage assessment maps were used to document required remediations and associated costs were embedded in the larger storm restoration work orders. Unlike other activities that involve a mapping update to show completion, tree attachments are fully removed from the system and the updated maps only show post-remediation configurations, which no longer include trees.

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

SH-12.1 Remediations- Distribution

SCE Identifier	IE Finding	IE Detail on finding
SH-12.1	SCE missed projected targets of 100 percent remediations complete by three percent of the 2020 WMP target, which was verified by the IE's review.	This attributed to the underrun of expenditures associated with these activities, for which SCE cited reduced inspection rates, COVID-19 pandemic, and operational challenges. No direct field verifications contributed to this result.

[21] IE Report, p. 25.

[22] IE Report, p. 25.

SCE reported in its Annual Report on Compliance that "[a]s of the end of December, Distribution Remediation finished at 97% complete, missing the WMP Program target of 100%. Prior to year-end, Distribution Remediations were at risk of not meeting the goal due to resource diversion to restoration efforts from catastrophic fires and other precautions taken due to record dry fuel conditions. COVID-related restrictions on outages, and PSPS activations also continually delayed and slowed work throughout the year."[23]

While the IE noted a finding associated with this activity, that finding simply confirms what SCE had previously reported in its Annual Report on Compliance.

VM-2 Expanded Pole Brushing

SCE Identifier	IE Finding	IE Detail on finding
VM-2	SCE reported they exceeded objectives in 2020, reporting 231,326 poles cleared within the HFRA. The IE verified that an upwards of 200,000 poles were cleared from the desktop data review.	The IE subsequently evaluated activities through field inspection sampling and found the 8[24] of 25 sampled to have noncompliant conditions due to overgrowth, encroachment, and brush found within the 10-foot ground and vertical clearance.

Based on their desktop review of SCE's pole brushing data, the IE "verified that upwards of 200,000 poles were cleared."[25] This desktop review verified that SCE had met its 2020 WMP target of brushing 200,000 poles.

The IE also conducted field inspections of 25 poles, as reflected in Table 10, and identified that 15 of them had "noncompliant conditions due to overgrowth, encroachment, and brush found within 10-foot ground and vertical clearance."[26] SCE has identified the following errors in Table 10:

- Structures 1523425E and 1082189E are each shown in the table twice, each with a different "Asset Compliance" status ("Compliant" and "Non-Compliant").
- Structures 1548356E and 1548356-2 are the same structure. This structure is in non-HFRA and not in scope of SCE's VM-2 Expanded Pole Brushing activity.

[23] SCE Annual Report on Compliance submitted on March 31, 2021, Attachment A p. 17.

[24] Table 10 identified 15 structures as non-compliant, not 8.

[25] IE report, pp. 29 and 30.

[26] IE Report, p. 29.

- Structure 4032120E is a transmission pole and not in scope of SCE's VM-2 Expanded Pole Brushing activity.

In response to Data Request 5, SCE classified Pole Brushing as "Large Volume Quantifiable Goal – **Not Field Verifiable**" (Emphasis added). The IE nevertheless performed field inspections of pole brushing. Pole Brushing is not field verifiable because, while the activity is performed annually at the appropriate clearance distance, vegetation may grow into the clearance distance by the time of the field inspection. As shown in the table below, none of the poles in the sample determined to be "non-compliant" had been pole brushed in 2021 at the time of the IE's field inspections on June 9, 2021 through June 11, 2021. Based on the dates of when these poles were brushed in 2020, vegetation around the poles inspected had between 8 and 16 months to grow back prior to the IE's inspection.[27] It is also important to note that none of the poles sampled by the IE are subject to PRC 4292. SCE's 2020 target for the VM-2 Expanded Pole Brushing activity was to brush 200,000 poles within that year; the target was not to maintain brush clearance around the poles at all times. Thus, the poles identified below are not "non-compliant" as characterized by the IE. The results of the IE field inspections for this activity demonstrate why performance of field inspections for this activity is not a valid method for confirming that SCE met its target for the prior year.

The IE's assessment of this activity should be based on its desktop review that "verified that upwards of 200,000 poles were cleared."[28]

Pole ID	IE Asset Compliance	IE Notes	*2020 Brushing*	*2021 Brushing Status*[29]
1523425E	Compliant		7/28/2020	Pending: Environmental Review
1523425E	Non-Compliant	Vegetation close to pole and lines	7/28/2020	Pending: Environmental Review
1082189E	Compliant		9/30/2020	Pending: Environmental Hold
1082189E	Non-Compliant	Needs additional veg clearing	9/30/2020	Pending: Environmental Hold
1453458E	Non-Compliant	Vegetation within 10' of pole	8/17/2020	Pending: Environmental Review
1523427E	Non-Compliant	Vegetation within 10' of pole	7/28/2020	Pending: Environmental Review
1675530E	Non-Compliant	Vegetation within 10' of pole	7/27/2020	Pending: Environmental Hold
1995945E	Non-Compliant	Vegetation within 10' of pole	9/28/2020	Pending: Environmental Hold
1996036E	Non-Compliant	Needs additional vegetation clearing	3/21/2020	6/21/2021

[27] For example, Pole 1996036E was brushed on 3/21/2020 and brushed again on 6/21/2021. When the IE inspected the pole in early June 2021, it had been over 15 months since the brush was previously cleared.

[28] IE Report, p. 29.

[29] Reflects the pole brushing status as of July 2, 2021. Environmental Hold and Environment Review signify that the environmental approval to proceed with the pole brushing for that structure has not yet been received. Environmental Approval signifies that the environmental review process has been completed and the pole brushing for that structure is pending.

2108871E	Non-Compliant	Brush and tree growth within 10' of pole	9/10/2020	Pending: Environmental Review
2229543E	Non-Compliant	Vegetation next to and touching pole	2/19/2020	Pending: Environmental Review
4129823E	Non-Compliant	Tree growth within 10' of pole	7/27/2020	Pending: Environmental Review
4373479E	Non-Compliant	Vegetation within 10' of pole	8/6/2020	Pending: Environmental Review
4611316E	Non-Compliant	Tree growth within 10' of pole	7/28/2020	Pending: Environmental Review
PS0107[30]	Non-Compliant	Grass and scrub brush growing on three sides of pole.	1/9/2020	Not in scope for 2021 VM-2 activity
1548356E	Non-Compliant	Trees and brush engulfing base of pole.	These are the same structure. The structure is not located in HFRA and thus is not subject to VM-2 activity.	
1548356-2	Non-Compliant	Vegetation next to and touching pole		

Note: The Pole IDs shown in red where also included in Table 8 related to SH-3 Fire Resistant Poles.

IN-6.2 Aerial Inspections - Transmission

SCE Identifier	IE Finding	IE Detail on finding
IN-6.2	Based on the WMP target and supporting evidence, the IE has reasonable assurance SCE has performed full aerial inspections of 29,839 transmission facilities and partial inspections of 1,542 facilities. However, this does not meet SCE's stated goal of 33,500 inspections.	Time constraints prevented detailed review of sampled work order accounts.

SCE reported in its Annual Report on Compliance that "[a]s of the end of December [2020], aerial inspections have been completed on ~31,380 transmission structures in HFRA. This is ~6% short of the WMP Goal of 33,500."[31]

The IE's finding simply confirms what SCE had reported in its Annual Report on Compliance for this activity.

[30] Based on the photos provided in the IE inspection report, this is SCE Structure 1501279E.

[31] SCE Annual Report on Compliance, Attachment A, p. 19.

VM-4 Drought Relief Initiative (DRI) Inspections and Mitigations

SCE Identifier	IE Finding	IE Detail on finding
VM-4	The IE did not receive an independent statistically valid sample despite a detailed submitted request. The IE cannot validate whether SCE has met these objectives.	This is due to SCE submitting incorrect sample data from what was requested by the IE.

The IE is incorrect in their statement that "[t]he IE did not receive an independent statistically valid sample despite a detailed submitted request...due to SCE submitting incorrect sample date [sic] from what was requested by the IE" and more specifically that "[a]lthough SCE provided evidence of the inspection and remediation for 33 items, the identified sample in the evidence did not match those identified for sampling in Data Request 6, therefore the IE can confirm the completion of inspections and remediations, but the evidence appears to be selected by SCE."[32] In response to Data Request 6, Questions 16 and 17, SCE provided a total of 66 files that provided detailed inspection and remediation evidence for the samples requested by the IE.[33] The file names for each sample matched the unique system identifier (FULCRUM ID) for each of the samples requested by the IE. SCE has double-checked the files provided in the responses to Questions 16 and 17 and has confirmed they match the sample requested by the IE. SCE also notes that these 66 files were not included in Section 5.3 Data Submittal Log of the IE Report.

SCE believes this issue could have been resolved if the IE had additional time to fully review the information SCE provided in discovery, conduct additional discovery, or conduct SME interviews.

AT-8 High Impedance Relay Evaluations

SCE Identifier	IE Finding	IE Detail on finding
AT-8	The IE could not concretely determine the detailed installation activities associated with this initiative.	Further validation and inquiry is recommended to determine the completion of the commitments for this initiative

[32] IE Report, p. 33.

[33] SCE provided the response to these two questions on June 14, 2021. The response to these questions were submitted after the original due date given the IE (1) did not include the Fulcrum ID in the sample file for each tree sampled and (2) submitted a corrupted file that could not be opened by SCE. Once the valid sample files were received, SCE responded within 3 business days.

The IE states that "[w]ork orders for the installs were not provided by SCE, however test plans for the devices were provided."[34] As stated in response to Data Request 6, Question 9, "No specific work orders were developed for high impedance settings, work involved changing out 351R controller with 651RA controller and adding high impedance settings to the controller." Given that this work was not performed under a specific work order, SCE provided test plans for the devices. As described in the response to Question 9, the evidence provided "shows test plan execution for the settings and as-left condition of the controller after the high impedance settings were installed for RSR 1992 (structure 1547847E) and RSR 4192 (structure 1839334E)."

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

SH-5 Installation of System Automation Equipment – RAR/RCS

SCE Identifier	IE Finding	IE Detail on finding
SH-5	Due to time constraints, the IE was not able to inquire further nor validate the 48 installations claimed in the documents nor the 2 RARs/RCSs that did not have a device number associated with them.	Further validation and inquiry is recommended to determine the completion of the commitments for this initiative.

In its initial data submittal to the IE, SCE provided file ***SH-5 RARs & RCSs.xlsx*** which provided the following information for each of the 48 RARs/RCSs installed in 2020: work order number, structure number, date installed, device number (except for 2 devices), Lat/Long of the associated structure, and circuit name. While two of the devices did not have device numbers identified in the file due to timing of when the information was pulled, the remaining information related to those devices was provided. The missing device numbers have since been updated in SCE's mapping systems and are as follows: RCS1271 (TD1671632) and RCS0034 (TD1554814). Those two devices aside, SCE still demonstrated that the target of installing 45 RARs/RCSs was exceeded.

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

[34] IE Report, p. 37.

AT-4 Alternative Technology Implementation – Vibration Dampers

SCE Identifier	Finding	Detail on finding
AT-4	Due to time constraints, the IE was unable to complete the evaluation to determine the evaluations of damper technologies for both small and large diameter covered conductor applications actually occurred for 2020.	Further validation and inquiry is recommended to determine the completion of the commitments for this initiative.

In its initial evidence submittal, SCE provided file ***AT-4 DDS 10 Standard*** that showed the changes to its Distribution Design Standards (DDS) reflecting the changes made to incorporate vibration dampers for both large and small diameter covered conductor. These changes to the DDS were effective on 10/30/2020 as noted on each page. In response to Data Request 6, Question 10, SCE provided its white paper discussion on Vibration Dampers for Covered Conductor Applications. On the cover page and in the footer on every page, the last revision date is reflected as 8/31/2020. SCE is unsure what additional evidence the IE needs to demonstrate the evaluation and the design standards were both completed in 2020.

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

PSPS-5 MICOP Partnership
PSPS-6 Independent Living Centers Partnership

SCE Identifier	IE Finding	IE Detail on finding
PSPS-5	Although some evidence of meetings was provided by SCE, without additional evidence showing consistent periodic meetings between MICOP and SCE, and along with the response from the data request stating that meetings were informal and did not include agendas, the IE was unable to definitively determine whether SCE had regular meetings with MICOP.	However, SCE did provide sufficient evidence of progress reports with MICOP. Additionally, SCE provide evidence of a final impact report that showed the progress throughout the 2020 year.

PSPS-6	Due to time constraints the IE was unable to ask SCE for additional evidence to definitively determine if SCE is having regular meeting as committed.	However, SCE provided a final impact report that provides some assurance of the commitment for progress reports. The IE recommends further inquiry for evidence of periodic progress reports as was provided for PSPS- 5 to determine the reasonable robustness of this initiative.

In its initial evidence submittal to the IE, SCE provided the final impact reports related to the MICOP Partnership and the Independent Living Centers Partnerships that summarized the impact during 2020 of these partnerships. These final impact reports, prepared by the MICOP and the Independent Living Centers, provide a summary of the impact the program/sponsorship had on the community served; variances from original project plan; how the organization leveraged the grant with other community stakeholders/funders; number of people served; and how the organization promoted its partnership with SCE. These reports also set forth the number of customers contacted. These impact reports demonstrate that SCE met its targets for these two activities as reflected in its 2020 WMP:

- MICOP Partnership (PSPS-5): Enable communications with indigenous populations and measure the number of customers contacted.
- Independent Living Centers Partnership (PSPS-6): Conduct outreach activities and workshops/trainings to provide preparedness education and assistance in applying for the Medical Baseline Program and measure the number of customers contacted.

While SCE stated in the text in Section 5.3.6.5.4 and Section 5.3.6.5.5 of its 2020 WMP that these "activities will be closely monitored and adjusted as needed through regular meetings," holding regular meetings is not part of the specific target for these activities. They are support activities that help SCE achieve the targets as stated in Table SCE 5-1, 2020 Program Targets. Thus, in determining whether SCE met its WMP target, it is not relevant for the IE to require SCE to demonstrate it held regular meetings with these entities.[35]

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

[35] SCE held six meetings with MICOP between October 2019 and August 2020. All meetings took place 'virtually' due in part to the location of the nonprofit and the impacts of COVID-19. SCE held five meetings with the Independent Living Centers between November 2019 and October 2020. The meeting in November 2019 was an in-person, small-group introductory meeting that set the stage for the four formal quarterly meetings in 2020. The first quarterly meeting in January of 2020 was in-person and the remaining quarterly meetings were virtual due to the impacts of COVID-19.

SH-2 Undergrounding Overhead Conductor

SCE Identifier	IE Finding	IE Detail on finding
SH-2	Due to time constraints the IE was not able to validate whether the new additions yielded a more refined evaluation methodology as committed.	Further validation and inquiry are recommended to determine the completion of the commitments for this initiative.

In its initial evidence submittal to the IE, SCE provided file ***SH-2 TUG Work Paper.pdf*** which is a high-level overview of the evolution of SCE's scoping methodology for targeted undergrounding in HFRA from 2019, 2020 and 2021. The IE states that it "requested an interview to understand how the new data analytics program, the new attribute added to the WRRM refined SCE's evaluation methodology."[36] However, the focus of the interview, as set forth in Data Request 7, Question 2, was to "discuss SCE's new Wildfire Risk Model. Topics to discuss included: a. Ensuring accuracy of data being gathered b. Ensuring complete list of distribution equipment." The interview did not address how the model helped refine SCE's methodology for evaluating targeted undergrounding. In addition, while the IE did ask a question regarding the use of Tariff Rule 20, since this topic was not identified in advance, SCE did not have the right subject matter experts in the interview to respond to the specific question.

SCE believes this issue could have been resolved if the IE had additional time to conduct additional discovery or conduct more in-depth SME interviews.

SUGGESTIONS FOR IMPROVEMENTS TO THE IE PROCESS

The following sections provide some suggested improvements to the IE process to help ensure the IEs have sufficient time to perform their reviews in the future and the reviews are consistently performed. These suggestions are not comprehensive, and SCE looks forward to working with Energy Safety to improve the IE review process for the review that will take place in 2022 of the electrical corporations' compliance with their 2021 WMP updates. SCE encourages Energy Safety to hold workshops with the various IEs and electrical corporations to identify lessons learned from this inaugural IE review and identify opportunities to improve the process going forward.

The IEs need more time to perform their reviews

Given numerous factors, the 2021 IE Reviews were conducted under a compressed schedule which did not provide the IEs sufficient time to conduct their reviews. For example, SCE's IE had approximately four weeks to conduct their review before

[36] IE Report, p. 42.

submitting their draft report. This did not provide time for follow up discovery that could have resolved the findings and errors SCE noted above.

Based on the scope of work for the 2021 IE reviews of the 2020 WMPs, the IEs should have approximately three months to conduct their reviews and submit their draft reports. If the scope of work is significantly expanded, the IEs may need additional time for their reviews. After submittal of the draft report, there should be an additional month for the review of the draft reports and completion of a final report. Based on the July 1 statutory submittal date for the IE final report[37], the IE reviews should commence around the beginning of March each year.[38] It is important to note that the timing of the IE review discovery will coincide with discovery for the next WMP update. In many cases the same subject matter experts responding to the IE review will also be responding to data requests related to the WMP Update. Thus, additional time should be provided for data request responses for the IE review.

One of the lessons learned during the 2021 IE review was the amount of time needed for the electrical corporations to issue requests for proposals (RFP) and negotiate a contract with the selected IE. While Energy Safety pre-qualifies the IEs, they do not obtain any pricing proposals from the IEs. Thus, each electrical corporation needs to solicit pricing proposals from one or more IEs. In addition, the electrical corporations also need to conduct their due diligence to ensure they have no conflicts of interest with the IEs or their subcontractors. Based on this, the electrical corporations will need at least two months to conduct their RFPs and contract negotiations. This is a very aggressive schedule and assumes that the final scope of work for the IE review and all Energy Safety guidance is available prior to the issuance of the RFPs.

Working backwards, in order for the electrical corporations to issue their RFPs in a timely manner, Energy Safety should issue the final list of qualified IEs, the scope of work (SOW) and any additional IE-related guidance no later than December 31, 2021 for the IE reviews to be conducted in 2022.

The Scope of Work should be finalized prior to Energy Safety's issuance of their Request for Qualifications (RFQ) for the next IE List

To help ensure the qualified IEs have the required experiences and capabilities to perform the IE Review, the SOW contained in Energy Safety's RFQ should be the final SOW for the IE review of the 2021 WMP Updates.

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[37] "Each electrical corporation shall engage an independent evaluator listed pursuant to subparagraph (A) to review and assess the electrical corporation's compliance with its plan. The engaged independent evaluator shall consult with, and operate under the direction of, the office. The independent evaluator shall issue a report on July 1 of each year in which a report required by paragraph (1) is filed…" Pub. Util. Code § 8386.3(c)(2)(B)(i).

[38] While this start date is prior to the electrical corporations' submittal of their Annual Report on Compliance on March 31, it does provide the IE time to review background documents and conduct initial discovery and interviews.

The SOW contained in RFQ (20NC0427) for the 2021 IE List was significantly different than the SOW issued by Energy Safety on April 21, 2021.

Given the multiple different assurance activities that Energy Safety, their compliance assurance contractor (Green Grid)[39] and the IEs perform, it is critical that there be clear SOWs for the different assurance activities to help ensure there is no duplication of efforts and everyone understands how all the pieces fit together.

To help reduce confusion and ensure the qualified IEs have the required capabilities, the SOW for the IE review of the 2021 WMP Updates should be finalized prior to the issuance of Energy Safety's RFQ for IEs. To support transparency, the draft SOW should be issued for public comment.[40]

Given the scope of the IE review, the SOW should be limited to verifying (1) the electrical corporation's compliance with the specific activity goals/targets set forth in the electrical corporation's 2021 WMP update; (2) documentation of any activity funding that was not funded within the threshold established by Energy Safety; and (3) verification that the electrical corporation followed their QA/QC protocols as they relate to their WMP activities.

The Scope of Work needs to provide more details on approaches and methodologies, so the IE Reviews are more consistent

To help ensure consistency between the various IE reports, Energy Safety should include additional guidance in the SOW and its guidance document in areas including but not limited to the following:

- Auditing standard
- Sampling methodology (Field verifiable and non-field verifiable activities)
- Method for determining which WMP activities to review
- Threshold for evaluation of funding underruns (Same threshold should apply to the electrical corporations' Annual Report on Compliance)[41]
- Level of rigor used to review should be consistent across IEs – For example, one IE should not require a deep dive into supporting data while another IE reviewing a similar activity bases its conclusion solely on SME interviews

[39] The scope of work for Green Grid is set forth in Attachment 2 to RFP No. 20NC0640.

[40] The scope of work included in RFQ 20NC0427 was not issued for public comment prior to being included in the RFQ.

[41] For example, in SCE's Annual Report on Compliance, it used a threshold on a million dollars or more when providing explanations of funding variances. However, Energy Safety required the IE to explain all underfunded variances, regardless of the amount.

- Expectations related to use of technologies such as drones[42]

Electrical Corporations should have an opportunity to review the draft findings and draft report to identify errors

The IE Review Guidance provided for the 2021 IE reviews specifically prohibited the IEs from sharing their draft findings and draft reports with the electrical corporation. As shown above, this resulted in numerous errors or misunderstandings in SCE's IE Report that could have been corrected or resolved prior to the issuance of the final report.

To help ensure the final IE report is accurate, the electrical corporations should have an opportunity to review the IE's draft findings and draft report. Providing this type of review is consistent with standard auditing protocols used in other regulatory audits conducted by the CPUC and FERC. The electrical corporations' review of the draft findings and draft report does not diminish the IE's independence, since the IE ultimately decides which comments to incorporate in their final report. The electrical corporations' review of their draft IE reports can be conducted simultaneously with Energy Safety's review.

All Parties' best interests are served by having a final IE report that is complete and accurate and does not require additional follow-up or correction by Energy Safety.

The primary desired qualification for the IEs should be experience in performing electric utility operational/compliance audits

In advance of the next IE RFQ, SCE recommends that Energy Safety re-evaluate the desired qualifications for IEs. The IE Review is a compliance audit and the key qualification for the IE should be experience in conducting electric utility operational/compliance audits.[43] As demonstrated by the IE scope of work issued on April 21, 2021 and the various IE Reports, while some WMP activities can be verified through field inspections, most of the WMP activities cannot be field verified. These activities need to be verified through review of other types of compliance evidence such as inspection reports, pilot program studies, subject matter expert interviews, etc. Thus, understanding auditing techniques and methods, including the reviewing of WMP activity funding, are critical for an efficient review of WMP compliance. If needed, a firm with strong auditing experience can subcontract with a field inspection vendor.

As discussed above, prior to issuing its next IE RFQ, Energy Safety should finalize the scope of work for the next IE review. This final scope of work will help determine the desired qualifications needed of the IEs. To ensure transparency in the process,

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[42] Identifying such expectations up front will provide the electrical corporations and the IEs time to pursue any special protocols, reviews or procedures needed for the use of the technology early in the IE selection process.

[43] On May 14, 2020, Energy Safety issued high level desired competencies for the IE. On May 21, 2020, SCE provided comments on the desired competencies.

Energy Safety should issue its draft IE desired qualifications for public review and comment, similar to what SCE proposes Energy Safety does with the IE scope of work.

The IE should not spend time creating a risk model/analysis to decide where to conduct field inspections

NV5 spent a significant amount of time developing an independent risk analysis to determine where field inspections should be performed. While this type of analysis may be warranted for Energy Safety's field inspections, it is not warranted for the IE review. If needed, the IE can rely on the electrical corporation's or Energy Safety's risk modeling to identify locations to perform field inspections; or a simple method such as electrical corporation activity spend. This time could be better spent performing document reviews of other WMP activities.

RESPONSE TO MGRA'S AND CAL ADVOCATES' COMMENTS ON IE REPORTS

SCE's response to MGRA's and Cal Advocates' key issues are addressed below. SCE believes many of the issues identified by both parties would have been resolved if the IEs had additional time to perform their reviews. As discussed above, SCE has provided several process improvement recommendations that would provide the IE sufficient time to conduct their reviews and provide a higher degree of consistency across the various IE reviews.

The IEs need adequate time to conduct their reviews

SCE agrees that the IEs did not have sufficient time to conduct their 2020 WMP Reviews. SCE has identified several opportunities in the prior section to help ensure the IEs have sufficient time to conduct future reviews. As discussed above, the key driver in providing the IEs sufficient time to perform their reviews is Energy Safety's issuance of the final IE list, not the issuance of the scope of work as recommended by Cal Advocates. SCE recommends that the final IE list be issued by Energy Safety no later than December 31, 2021. This will provide the electrical corporations approximately two months to issue RFPs, select an IE and conduct contract negotiations, prior to the IE commencing their review in early March.

The number of field inspections

MGRA states SCE's IE "failed to conduct a reasonable number of field inspections" and that Energy Safety "should not consider this result acceptable and should take appropriate action." [44] MGRA also states that "the lack of any serious effort at field verification is a particularly glaring omission."[45] It is important to note the IEs performed their reviews under the direction of Energy Safety, not the electrical corporations. It is SCE's understanding that Energy Safety reviewed the sampling methodology SCE's IE used to determine the appropriate number of field inspections to conduct and the

[44] MGRA Comments, p. 2.

[45] MGRA Comments, p. 7.

specific samples. In addition, Energy Safety reviewed SCE's IE's draft report which set forth the specific method used.

MGRA has drawn an incorrect conclusion by solely looking at the absolute number of field inspections conducted and does not recognize that SCE's IE used a valid statistical sampling methodology to determine the number of field inspections to conduct. As discussed in their report, NV5 determined their sample size of project initiatives, including field inspections, based on the North American Electric Reliability Corporation's (NERC) ERO Sampling Handbook Revision 1.0. This sampling methodology is recognized by the Generally Accepted Government Auditing Standards and the Institute of Internal Auditors and is used by all NERC Compliance Enforcement Authorities to audit compliance with the NERC Reliability and Critical Infrastructure Protection requirements in accordance with NERC's obligations mandated by the Federal Energy Regulatory Commission (FERC) as part of the Federal Power Act Sec. 215.[46]

In addition, while not part of the IE Review, Energy Safety performed over 1,435 field inspection activities of SCE's 2020 WMP activities.

Finally, MGRA states SCE's IE Review was "mostly a 'desk audit', consisting of document review and data requests"[47] While eight of SCE's 2020 WMP activities are fully and two are partially field verifiable,[48] 59 of SCE's 2020 WMP activities are not field verifiable and compliance must be evaluated through a documentation review.

Access to Information

Cal Advocates states the "IE reports for PG&E and SCE indicate that records requested by the IEs were either not provided or were incomplete"[49] and recommends that Energy Safety "should require utilities to fully comply with the IE requests for information" and "cannot be allowed to self-select information provided to the IEs."[50]

SCE fully complied with all data requested by its IE and any discrepancies were a result of the IE not having time to fully follow up on their findings. As discussed previously,

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[46] IE Report, p. 16.

[47] MGRA Comments, p. 7.

[48] As set forth in SCE's response to Data Request 5, the following 2020 WMP activities were identified as field verifiable: SA-1 Weather Stations, SH-1 Covered Conductor, SH-3 Fire Resistant Poles, SH-4 Branch Line Protection Strategy, SH-10 Tree Attachment Remediation, SH-12.1 Remediations – Distribution, SH-12.2 Remediations – Transmission, and SH-12.3 Remediations – Generation. In addition, while the inspection portion of VM-1 Hazard Tree Management Program and VM-4 DRI Inspections and Mitigations are not field verifiable, the mitigations (e.g., tree removal) can typically be field verifiable.

[49] Cal Advocates Comments, p. 4.

[50] Cal Advocates Comments, p. 2.

SCE provided its IE a significant amount of data and evidence of its compliance in a very short period of time. Cal Advocates identified the following data deficiencies that SCE has addressed above. As shown, all of these deficiencies would have been resolved if the IE had additional time to conduct additional discovery or conduct SME interviews.

- Tree Attachment Remediation: Cal Advocates states the "IE stated that data provided by SCE on the Tree Attachment Remediation program lacked sufficient information on remediation completion date."[51] As discussed above in section SH-10 Tree Attachment Remediation, over 380 tree attachments were identified during fire damage assessments associated with the Creek and Castle fires. In lieu of traditional work order documents, teams worked quickly to assess and rebuild the damaged infrastructure. Evidence including project trackers and damage assessment maps were used to document required remediations and associated costs were embedded in the larger storm restoration work orders. Unlike other activities that involve a mapping update to show completion, tree attachments are fully removed from the system and the updated maps only show post-remediation configurations, which no longer include trees.
- Drought Relief Initiative: Cal Advocates states that "SCE provided the wrong records for the IE's review of SCE's Drought Relief Initiative" and "that the evidence was selected by SCE itself."[52] As discussed in section VM-4 Drought Relief Initiative (DRI) Inspections and Mitigations, SCE did provide the IE the correct information. SCE double checked the files provided in the responses to Data Request 6, Questions 16 and 17 and confirmed they match the sample requested by the IE.
- Covered Conductor: Cal Advocates states "in its evaluation of SCE's data regarding covered conductor, the IE noted that the provided data did not include information on work dates or circuit miles worked."[53] As discussed in section SH-1 Covered Conductor above, SCE did provide the dates the work orders were completed and the estimated miles of installed covered conductor for each work order. Cal Advocates also states the IE identified two instances where covered conductor was not installed in 2020. As further discussed in section SH-1 Covered Conductor, one of these poles was not identified by SCE as being in scope for covered conductor in 2020 and for the other, the IE incorrectly assumed a 2021 pole tag was related to covered conductor installation, which it is not.

[51] Cal Advocates Comments, p. 4.

[52] Cal Advocates Comments, pp.4 and 5.

[53] Cal Advocates Comments, p. 10.

CONCLUSION

SCE appreciates the opportunity to submit this response to its 2021 IE Report prepared by NV5. SCE is confident that with additional time to review the evidence provided, ability to ask follow up questions, and conduct subject matter expert interviews, the IE would have been able to resolve their identified findings and verify SCE met or exceeded its 2020 WMP activity targets, except for those specific activities where SCE stated in its Annual Report on Compliance that it did not meet 100% completion of its targets. SCE looks forward to working with Energy Safety and other Parties to help improve the IE Review process going forward.

If you have any questions, or require additional information, please contact me at Michael.Backstrom@sce.com.

Sincerely,

//s//
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