

IN THE MATTER OF:

**Wildfire Mitigation Plan -
Utility Risk Spend Efficiency
Coordination**

Docket # RSE-Group

Public Workshop December 9, 2021

**Re: Risk Spend Efficiency
Coordination**

NOTICE OF PUBLIC WORKSHOP

The Office of Energy Infrastructure Safety (Energy Safety) will facilitate a public workshop on utility risk spend efficiency (RSE) estimates. The utilities will present the current status of their RSE calculation methodologies, and stakeholders will have an opportunity to ask questions of utility representatives as well as RSE experts. The workshop will expand on how the RSE estimates are calculated and how they are used to inform the utilities' decision-making frameworks.

December 9, 2021

9:00 AM – 4:30 PM

Remote Attendance Only

Click on the link below to register for the workshop:

https://ca-water-gov.zoom.us/webinar/register/WN_-R3RfIMQQLyArnvQgbwkBQ

Agenda

During the morning session of the workshop, representatives from Pacific Gas & Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E) will present an outline of their current RSE calculation methodologies and how RSE estimates inform the selection of mitigation initiatives. Presentations will include calculation details, such as how the risk reduction values are determined, how the initiative costs are aggregated, what assumptions are included, and how the accuracy of RSE estimates are verified. Representatives will also discuss any changes to RSE calculation methodologies and utilization that the utility is considering and/or implementing prior to submitting its 2022 Wildfire Mitigation Plan (WMP) Update.

During the afternoon session, a panel of RSE experts will discuss RSE calculation methodology best practices and how RSE estimates can inform wildfire risk-based decision-making. Stakeholders and members of the public will have an opportunity to ask questions of the utilities and the RSE experts.

Workshop Timeline

9:00 am – 9:10 am	Introduction
9:10 am – 10:10 am	PG&E Presentation
10:10 am – 11:10 am	SCE Presentation
11:10 am – 11:30 am	Break
11:30 am – 12:30 pm	SDG&E Presentation
12:30 pm – 1:30 pm	Lunch
1:30 pm – 3:00 pm	Q&A Session
3:00 pm – 3:20 pm	Break
3:20 pm – 4:20 pm	RSE Expert Panel
4:20 pm – 4:30 pm	Closing Remarks

Purpose of this workshop

Energy Safety intends to oversee a joint effort across utilities to collaborate on RSE calculation methodologies and utilization. The workshop provides an opportunity for stakeholder input regarding the focus areas of the RSE calculation methodologies and utilization.

Background

Under Pub. Util. Code (PUC) § 8386(c), the utilities must submit a Wildfire Mitigation Plan (WMP) for Energy Safety to review. Pursuant to Section 7.3.1 of Attachment 2.2 of the 2021 Wildfire Mitigation Plan Guidelines Templates,¹ the electrical corporation must include, among other things, within its WMP:

Financial information—including actual / projected spend, spend per line-miles treated, and *risk-spend-efficiency* [emphasis added] for activity by high fire threat district (HFTD) tier (all regions, non-HFTD, HFTD tier 2, HFTD tier 3) for all HFTD tiers which the activity has been or plans to be applied.

Additionally, as set forth in Section 7.3.2 of Attachment 2.2 of the 2021 Wildfire Mitigation Plan Guidelines Templates,² the electrical corporation must include the following, among other things, for “each initiative activity in which spending was above \$0 over the course of the current WMP cycle (2020-2022)”³ within its WMP:

- (2) **Initiative selection** (“why” engage in activity) – include reference to a risk informed analysis on empirical (or projected) impact of initiative in comparison to alternatives
- (3) **Region prioritization** (“where” to engage activity) – include reference to a risk informed analysis in allocation of initiative (e.g., veg clearance is done for trees tagged as “high-risk”)

Energy Safety has completed its review of the utilities’ 2021 WMP Updates. As described in Energy Safety’s 2021 WMP Action Statements, Energy Safety found that RSE estimates were inconsistent across utilities. Specifically, PG&E-21-28, SCE-21-02, and SDGE-21-02 each provide the following issue and remedy:

Issue: Energy Safety raises a concern that there are stark variances in RSE estimates, sometimes on several orders of magnitude, for the same initiatives calculated by different utilities. For example, PG&E’s RSE for covered conductor installation was 4.08,⁴ SDG&E’s RSE was 76.73,⁵ and SCE’s RSE was 4,192.⁶

¹ WSD-011 Attachment 2.2, 2021 Wildfire Mitigation Plan Guidelines Template, pp 43. (accessed November 5, 2021):

<https://energysafety.ca.gov/wp-content/uploads/docs/wmp-2021/attachment-2.2-to-wsd-011-2021-wmp-guidelines-template.pdf>

² Ibid.

³ Ibid.

⁴ Value from PG&E’s Errata (dated March 17, 2021, accessed November 5, 2021):

https://www.pge.com/pge_global/common/pdfs/safety/emergency-preparedness/natural-disaster/wildfires/wildfire-mitigation-plan/2021-Wildfire-Safety-Plan-Errata.pdf

⁵ Value from Table 12 of SDGE’s 2021 WMP Update submissions under the “Estimated RSE for HFTD Tier 3” column for “Covered Conductor Installation.”

⁶ Value from Table 12 of SCE’s 2021 WMP Update submissions under the “Estimated RSE for HFTD Tier 3” column for “Covered Conductor Installation.”

These drastic differences reveal that there are significant discrepancies between the utilities' inputs and assumptions, which further support the need for exploration and alignment of these calculations.

Remedy: The utilities⁷ must collaborate through a working group facilitated by Energy Safety to develop a more standardized approach to the inputs and assumptions used for RSE calculations. After Energy Safety completes its evaluation of the 2021 WMP Updates, it will provide additional detail on the specifics of this working group.

This working group will focus on addressing the inconsistencies between the utilities' inputs and assumptions, used for their RSE calculations, which will allow for: 1. Collaboration among utilities; 2. Stakeholder and academic expert input; and 3. Increased transparency.

Public Participation

Stakeholders may provide oral feedback during the workshop and written feedback prior to, during, and after the workshop. Written feedback regarding the workshop will be accepted through January 9th, 2022.

Oral and written feedback, attachments, and associated contact information, such as address, phone number, and email address, become part of the viewable public record. This information may also become available via any Internet search engine.

Energy Safety strongly encourages use of its electronic docket system. Visit the Risk Spend Efficiency Group docket (# RSE-Group) at <https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=RSE-Group>. Select "Submit E-Filing" or "Submit Confidential E-Filing" to begin the process of submitting feedback to Docket # RSE-Group. When submitting feedback, please title the submission according to this syntax: [Utility Name or Stakeholder Name, Date of Workshop] Post RSE Workshop Comments. Feedback must be attached in a downloadable, word searchable file format, accessible using publicly available software, and may be submitted in any commonly available file format (e.g., .pdf, .docx, .xlsx). Maximum file size is 50 MB.

If you encounter problems E-Filing, please send an email to efiling@energysafety.ca.gov and include Docket # RSE-Group: [Utility Name or Stakeholder Name, Date of Workshop] in the subject line.

If preferred, a paper copy may be submitted to:

Office of Energy Infrastructure Safety

⁷ Here "utilities" refers to PG&E, SDG&E, and SCE.

Docket # RSE-Group
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Remote Attendance

Zoom is Energy Safety's online meeting service. Via computer go to [Energy Safety's Upcoming Events](#) page, click the link for your meeting and follow the instructions to join the meeting. When attending remotely, presentations will appear on your computer/laptop/mobile device screen and audio may be heard via the device or telephone. Please be aware that the Zoom meeting may be recorded. If you have concerns that you may be unable to use Zoom, use this link (<https://zoom.us/test>) to verify your compatibility with Zoom.

For dial-in users, during the public comment portions of the workshop, if you are using a telephone connection, press "#2" to raise your hand to be unmuted.

Availability of Documents

Documents and presentations for this meeting will be available at

[Energy Safety E-Filing Docket Name Risk Spend Efficiency Group Docket Log](#)

Mail Lists:

Wildfire Mitigation Plans Service List (OEIS_WMPs)