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December 2, 2021

VIA E-MAIL

Caroline Thomas Jacobs
Director, Office of Energy Infrastructure Safety
715 P Street, 20th Floor
Sacramento, CA 95814

**RE: SDG&E Comments on 2022 WMP Update Draft Guidelines
Docket 2022-WMPs**

Dear Director Thomas Jacobs:

SDG&E hereby provides comments regarding the Draft 2022 Wildfire Mitigation Plan (WMP) Update Guidelines (Draft Guidelines) provided by the Office of Energy Infrastructure Safety (Energy Safety) on November 9, 2021.

A. NEW WMP REQUIREMENTS SHOULD BE ADOPTED AND APPROVED BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION ON THE TIMELINE PROVIDED BY PUBLIC UTILITIES CODE SECTION 8389

Upon initial review, SDG&E understands the Draft Guidelines to contain several new reporting requirements due to the substantial changes that they make to the existing WMP format. Each “New Guideline” requires the electrical corporations to include additional data or format information in a different way. Formatting requirements, such as the provision of additional visual aids, may not represent a substantive change to the WMP requirements. But several of the new requirements represent more than minor changes to the update guidelines; instead, they constitute new requirements entirely.

Public Utilities Code Section 8389 tasks the California Public Utilities Commission (Commission), after consultation with Energy Safety, with adopting and approving new requirements for the Wildfire Mitigation Plans by December 1 of each year.¹ Sometime prior to issuing the Draft Guidelines, Energy Safety submitted its 2021 Review of Additional Requirements for Wildfire Mitigation Plans to the Commission, which the Commission then addressed in Resolution M-4860.² In that submission, Energy Safety specifically informed the Commission that it did “not recommend any additional requirements for [the] 2022 WMP

¹ Pub. Util. Code §8389(d)(2). This section of statute continues to include reference to the “division,” implying the Wildfire Safety Division of the Commission, which has been succeeded by Energy Safety pursuant to Public Utilities Code §326(b).

² Resolution M-4860, December 2, 2021.

filings.”³ Yet seven days after the Commission issued Energy Safety’s recommendations regarding new WMP requirements, the Draft Guidelines were issued, including many new WMP requirements. For instance, as discussed below, the requirement that utilities include geospatial maps of planned hardening going out 10 years,⁴ and the expansion of Table 12 to include projects outside the High Fire Threat District (HFTD),⁵ represent significant new requirements that, in the latter instance, may exceed the scope of the WMP.

There is no doubt that Energy Safety is *requiring* these new and additional submissions.⁶ As such, Energy Safety should have submitted these new requirements for adoption and approval to the Commission. At a minimum, SDG&E recommends that Energy Safety coordinate submission of future WMP Guidelines with the CPUC’s review of Additional Requirements for WMPs, so they occur simultaneously. This coordination would avoid confusion and ensure that all stakeholders are aware of new WMP requirements prior to December 1 each year, as required by Section 8389. As discussed below, SDG&E appreciates Energy Safety’s efforts to foster streamlined reporting and evaluation. But given that several of these new requirements are subject to adoption by the CPUC, Energy Safety should consider including them in the new requirements for the 2023 WMPs and refrain from expanding the requirements of the 2022 WMP Updates.

B. THE REQUIREMENT FOR GEOSPATIAL FIRE HARDENING MAPS EXTENDING 10 YEARS SHOULD BE CLARIFIED AND THE TIMEFRAME REDUCED TO 3 YEARS

The Draft Guidelines propose updates to Section 7.1 of the WMP, which covers mitigation initiatives. New guideline 7c specifically requires that utilities provide “geospatial maps for Grid Design and System Hardening mitigations...show[ing] transmission and distribution grid with each line distinguished by its state of hardening and type of hardening where known.” The electrical corporations are then required to delineate the maps by timeframe, including planned fire hardening up to the next 10 years.⁷ While SDG&E appreciates Energy Safety’s intent to include more visual aids to demonstrate wildfire mitigation initiatives, the burden and complexity of the proposed map, including the proposed ten-year timeline, will likely in fact convolute the review process and result in data that is ultimately rendered inaccurate.

To that end, SDG&E recommends that Energy Safety clarify and limit the requirement to include geospatial fire hardening maps. First, including planned fire hardening efforts spanning the next ten years is nearly impossible to do. Given the constantly changing fire science, the impacts of climate change, and the evolution of SDG&E’s risk modeling, the areas SDG&E

³ Resolution M-4860, Attachment 2 at 2.

⁴ Proposed New Guideline 7c, Draft Guidelines at Attachment 1, p.24.

⁵ Proposed New Guideline 2.3d, Draft Guidelines at Attachment 1, p.35.

⁶ See Proposed New Guideline 7c (“Section 7.1 *requires* geospatial maps for grid design and system hardening mitigations.”).

⁷ Energy Safety Draft 2022 WMP Update Guidelines- Attachment 1: Summary of Changes for the 2022 WMP Update Guidelines, p. 24.

plans to harden continue to evolve as well. Thus SDG&E simply does not have scoped fire hardening efforts planned for the next 10 years. In scoping hardening efforts for these circuits and circuit segments, SDG&E has generally only scoped projects 2-3 years out. SDG&E appreciates that Energy Safety has requested planned hardening “where known,” and thus SDG&E intends to provide geospatial maps including hardening efforts currently scoped. These efforts, however, will remain subject to change. Alternatively, SDG&E suggests that the Guidelines require GIS fire-hardening maps for projects that are scoped out for 2022 and 2023. This shorter-term approach would allow for more accuracy in the WMPs.

SDG&E also requests that the Draft Guidelines provide electrical corporations with greater clarity on which hardening efforts must be included on the geospatial maps. SDG&E engages in a number of grid design and system hardening projects, from undergrounding to generator grant programs and microgrids. New Guideline 7c uses hardening efforts such as “undergrounding or covered conductors” as examples of hardening to be included on the maps. To avoid creation of maps that are so complicated as to render them useless, SDG&E intends to include major hardening initiatives, such as covered conductor and undergrounding, on the geospatial maps required by Guideline 7c. Additionally, Energy Safety should clarify that the geospatial mapping requirement only applies to HFTD areas and not SDG&E’s entire service territory. And to make the maps more usable and understand scale, SDG&E suggests that the map format be in the form of an overall grid hardening map of what work is being done in the HFTD, with additional sub-maps zoomed in to provide more specificity on areas of additional work.

C. TABLE 12 SHOULD NOT BE EXPANDED TO INCLUDE TERRITORY-WIDE INFORMATION

The Draft Guidelines also require updates to WMP quarterly report on non-spatial data (QDR). Proposed Guideline 2.3d specifically requires that the electrical corporations provide updates to Table 12 of the QDR to include data that reports on reported actual and projected spend for mitigation initiatives both within the entire service territory and separately for the HFTD only.⁸ Requiring the electrical corporations to report on expenditures outside of the HFTD is overly broad and expands well beyond the scope of wildfire mitigation efforts. Moreover, this requirement exceeds Energy Safety’s mission to address wildfire safety and may improperly reach into efforts regulated by the Commission.⁹ SDG&E’s wildfire mitigation efforts are focused on the HFTD, thus expenditures on efforts throughout the service territory are not relevant to the WMP or the QDR. Moreover, requiring the electrical corporations to report on non-wildfire mitigation expenditures exceeds the requirements of Public Utilities Code Section 8386, which provides the statutory requirements for the WMP.¹⁰

The WMP and associated WMP quarterly reporting should remain focused on wildfire mitigation efforts. The WMP should not be used as a tool to expand Energy Safety’s review of

⁸ Energy Safety Draft 2022 WMP Update Guidelines- Attachment 1: Summary of Changes for the 2022 WMP Update Guidelines, p. 35; Attachment 3, Table 12.

⁹ Energy Safety is tasked with oversight and enforcement of the “electrical corporations’ compliance with *wildfire safety*.” Pub. Util. Code §326(a)(1) (emphasis added).

¹⁰ Pub. Util. Code §8386(c).

overall system maintenance and safety outside of areas designated as a wildfire risk. Expanding the requirement to report on spend for areas outside of the HFTD will inevitably bring in costs associated with urban planning and issues that are not tied to wildfire mitigation. Energy Safety should revise the 2022 WMP Guidelines such that Table 12 requires data from the HFTD only.

D. INCLUSION OF 2023 FORECAST DATA SHOULD BE REMOVED FROM 2022 WMP UPDATE REPORTING REQUIREMENTS

The Draft Guidelines add a data requirement, new guideline 3a, for utilities to “include both actual and projected cost increases to ratepayers for 2017-2023” to table 3.2-1 of the 2022 WMP Update.¹¹ This requirement is problematic both because it infringes on the Commission’s jurisdiction to consider and approve cost recovery related to the Wildfire Mitigation Plans, and because the forecasted ratepayer impacts would be unreliable. SDG&E’s current General Rate Case was approved in 2019, based on forecasts that did not anticipate the implementation of the WMPs, and runs through 2023; its next rate case will be filed in May 2022. In 2023, SDG&E will still be operating under its current General Rate Case, so there may not necessarily be a WMP-related cost increase for ratepayers at all.¹² Moreover, SDG&E cannot accurately forecast 2023 ratepayer impacts because it has finalized its WMP initiatives for 2023. An entirely new WMP is required for 2023, the scope of which is not yet known. While many WMP initiatives will likely continue as forecast, since OEIS is approving a plan for 2022 only, any assessment of potential rate impacts should likewise be limited to 2022 as well.

Further, the requirement to include forecasted ratepayer impacts, some of which have not yet been found to be just and reasonable by the Commission improperly places Energy Safety in the role of assessing whether WMP costs are just and reasonable—a role that the Legislature clearly left with the Commission.¹³ Including forecasts of ratepayer impacts is thus outside of the scope of the WMPs and should be excluded from the final 2022 WMP Update Guidelines.¹⁴

¹¹ Energy Safety Draft 2022 WMP Update Guidelines- Attachment 1: Summary of Changes for the 2022 WMP Update Guidelines, p. 14.

¹² SDG&E has a currently pending application (A.21-07-017) for interim relief of wildfire mitigation related costs before the Commission. In that application SDG&E has, for illustration, forecast the potential revenue requirement for 2023 WMP costs (not broken down by mitigation). However, that application has not been resolved, and thus SDG&E cannot accurately provide the ratepayer impact of the outcome at this time, nor is a Commission resolution likely prior to submission of SDG&E’s WMP.

¹³ Pub. Util. Code §8386.4(b)(1). The statutory requirements for the WMPs make no mention of a requirement to discuss rate impacts of the WMPs. *See* Pub. Util. Code §8386(b).

¹⁴ SDG&E notes that this same potential requirement arose with the draft 2021 guidelines. In these guidelines, Energy Safety removed the 2023 forecast requirement to maintain the 2020-2022 WMP plan period, as opposed to an entirely new 2020-2023 WMP plan period. SDG&E requests the same change that Energy Safety approved in 2021, to remove all 2023 forecast data, also be made to the approval of the 2022 WMP update to maintain a consistent reporting structure.

Conclusion

SDG&E appreciates Energy Safety's consideration of these comments on the 2022 WMP Update Draft Guidelines and requests that Energy Safety take these recommendations into account in the Final Guidelines.

Respectfully submitted,

/s/ Laura M. Fulton

Attorney for

San Diego Gas and Electric Company