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VIA ELECTRONIC FILING

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Subject: Comments of the Public Advocates Office on the Office of Energy Infrastructure Safety's Risk Spend Efficiency Workshop Held on December 9, 2021
Docket #: RSE-GROUP

Dear Director Thomas Jacobs,

The Public Advocate's Office at the California Public Utilities Commission (Cal Advocates) submits the following comments on the *December 9, 2021 Utility Risk Spend Efficiency (RSE) Coordination Workshop* (the Workshop). We respectfully urge the Office of Energy Infrastructure Safety (Energy Safety) to adopt the recommendations discussed herein.

INTRODUCTION

On November 8, 2021, Energy Safety issued a Notice of Public Workshop on its Wildfire Mitigation Plan (WMP) service list. The purpose of the Workshop was to develop a more standardized approach to the inputs and assumptions used for RSE calculations, given the stark variances in the RSE estimates across the utilities' 2021 WMP Updates.[1] The Workshop was remotely held on December 9, 2021 and included presentations by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E). The Workshop also included a RSE Panel of Experts.

[1] Notice of Public Workshop Re: Risk Spend Efficiency Coordination, November 8, 2021.

Cal Advocates makes the following comments regarding the Utility RSE Coordination Workshop:

A. Energy Safety should require utilities to provide granular RSE calculations for each mitigation program.

B. Energy Safety should require a common set of metrics for evaluating and verifying RSEs.

C. Energy Safety should require utilities to explain in detail how it determines the level of mitigations to be implemented in the WMPs.

RECOMMENDATIONS

A. Energy Safety should require utilities to provide granular RSE calculations for each mitigation program.

The purpose of the RSE calculation is to compare the effectiveness of different mitigation programs and to inform and optimize utility decision-making.[2] The Safety Model Assessment Proceeding (S-MAP) Settlement Agreement[3] defines and requires the use of certain granular, homogenous tranches for the RSE calculations that detail how the mitigations will reduce risk.[4]

Merely using an average RSE score across multiple activities does not account for the effectiveness of each mitigation program, nor does it provide much information on individual assets with different risk profiles. For example, PG&E's 2020 RAMP Application[5] calculates one RSE score for its system hardening program that consists of six different activities,[6] which includes two large system hardening programs—Covered

[2] Wildfire Safety Division (now Energy Safety) 2021 Wildfire Mitigation Plan Guidelines Template:

RSE is "An estimate of the cost-effectiveness of initiatives, calculated by dividing the mitigation risk reduction benefit by the mitigation cost estimate based on the full set of risk reduction benefits estimated from the incurred costs."

[3] D.18-12-014, Phase Two Decision Adopting Safety Model Assessment Proceeding (S-MAP) Settlement Agreement With Modifications, December 13, 2018 (S-MAP SA), pp. 22-23 (S-MAP SA requires each element (i.e. asset of system) contained in the identified tranche to have homogenous risk profiles (i.e. considered to have the same Likelihood of Risk Event (LoRE) and Consequence of Risk Event (CoRE))).

[4] D.18-12-014, S-MAP Settlement Agreement, Attachment A, Row 14, p. A-11.

[5] PG&E's 2020 Risk Assessment and Mitigation Phase (RAMP) Application in (A.)20-06-012

[6] A.20-06-012, PG&E's 2020 RAMP Application, pp. 10-35 to 10-36, lists them as: 1) Replacement of bare overhead primary and secondary conductor with covered conductor; 2) Replacement of poles where necessary to support new, heavier covered conductor; 3) Replacement of existing primary line equipment such as fuses/cutouts and switches with equipment that has been certified by CAL FIRE (California

Conductor and Undergrounding.[7, 8] These various system hardening mitigations need to be disaggregated to more accurately identify the risk reduction benefits of individual mitigation programs and to prioritize programs that mitigate the highest level safety and reliability risks.

Moreover, RSE values should reflect dollars spent on mitigation programs for each particular risk. The underlying calculation is specified in the S-MAP Settlement Agreement (dividing the mitigation risk reduction benefit by the mitigation cost estimate) and should be used uniformly by all utilities.[9] Increased granularity of RSE calculations for individual wildfire mitigation programs provides more accurate information about the cost-effectiveness of the proposed mitigations. This enables the utility to identify the mitigations that will provide the greatest risk-reduction value.

B. Energy Safety should require a common set of metrics for evaluating and verifying RSEs.

At the RSE workshop, different utilities reported on a variety of approaches used to evaluate and verify RSEs and effectiveness for select mitigations. The different methodologies make it difficult to compare and evaluate effectiveness. Cal Advocates recommends that Energy Safety adopt an initial minimum set of common mitigation effectiveness metrics. A common set of metrics, reported on by all utilities, would enable Energy Safety and the utilities to both learn from each other, and to optimize mitigation programs relative to RSE.

This common suite of metrics must be granular, specific to each mitigation so that Energy Safety has adequate detail to assess and verify the RSE effectiveness of specific mitigations. SDG&E's presentation[10] provided an example for Covered Conductors that shows an estimated reduction rate of ignition counts for each ignition source (contact with animal, balloon, vegetation, vehicle, and others) and the total risk reduction of ignition. Granular mitigation metrics must be developed and reported for all mitigations for all utilities to allow verification of RSE reduction estimates.

Department of Forestry and Fire Protection) as low fire risk; 4) Replacement of existing transformers with models that contain fire resistant FR3 insulation fluid rather than mineral oil and that meet recent Department of Energy electrical efficiency standards; 5) Undergrounding; and 6) Circuit removal.

[7] A.20-06-012, PG&E's 2020 RAMP Application, pp. 10-35 to 10-36.

[8] A.20-06-012 PG&E's 2020 RAMP Application, p. 10-61.

[9] D.18-12-014, S-MAP SA, Attachment A, Row 25, p. A-13.

[10] SDG&E 2021 RSE Workshop Presentation, slide 7.

C. Energy Safety should require utilities to explain in detail how it determines the level of mitigations to be implemented in the WMPs.

At the RSE workshop, utilities reported generally on how they used RSE to inform mitigation program selection.[11], [12],[13] Cal Advocates recommends that Energy Safety require the utilities to adopt a common format for reporting determination of the level and context of mitigation programs as determined by RSEs. For example, a utility should report on why it decided to install 200 miles of covered conductor rather than 1,000 miles of covered conductor in a particular year. This information should be graphically presented in the context of the utility's long-term specific mitigation need and plan, including the incremental and cumulative reduction to risk.

CONCLUSION

Cal Advocates respectfully requests that Energy Safety adopt the recommendations discussed herein. For any questions relating to these comments, please contact Anna Yang (Anna.Yang@cpuc.ca.gov).

Sincerely,

/s/ CAROLYN CHEN

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[11] PG&E 2021 RSE Workshop Presentation, slides 23-24.

[12] SCE 2021 RSE Workshop Presentation, slides 14-17.

[13] SDG&E 2021 RSE Workshop Presentation, slides 15-20.