

January 24, 2022

Mr. Koko Tomassian
Program Manager
Compliance Assurance Division
Office of Energy Infrastructure Safety
715 P Street, 20th floor
Sacramento, CA 95814

Reference: OEIS-ID: NOV_PGE_QP_20210601-01
Notice of Violation: Government Code § 15475.2 and the California Code of Regulations, Title 14,
Division 17 § 29302(b)(2)

Dear Mr. Tomassian:

This letter is in response to the December 23, 2021, Office of Energy Infrastructure Safety (Energy Safety) Notice of Violation (NOV). The NOV is Energy Safety's compliance assessment of PG&E's June 1, 2021 self-report letter where we reported missed installation targets of weather stations.

Energy Safety based its compliance assessment on the following statute and code sections:

California Government Code Section 15475.2, "Notice of Defect or Violation" states in part:

"The office may issue a notice of defect or violation to direct the regulated entity to correct any defect or noncompliance with the approved wildfire mitigation plan or failure to comply with any laws, regulations, or guidelines within the authority of the office."

California Code of Regulations, Title 14, Section 29302(b)(2), "Investigations, Notices of Defect and Violation, and Referral to the Commission" states in part:

"The Director may designate a compliance officer to consider the findings of any investigation. The compliance officer may issue any of the following:

...

(2) Notice of violation, identifying noncompliance with an approved Wildfire Mitigation Plan or any law, regulation, or guideline within the authority of the Office."

The NOV alleges the following:

PG&E's 2020 Wildfire Mitigation Plan (WMP) set a target of 400 weather station installations in 2020. PG&E missed that target of 400 weather station installations and only installed 378 in 2020. Energy Safety finds that this violation has a risk category of Minor (see table below).

Risk Category	Violation and Defect Correction Timeline
Severe	<ul style="list-style-type: none">• Immediate resolution
Moderate	<ul style="list-style-type: none">• 2 months (in High Fire Threat District or HFTD Tier 3)• 6 months (in HFTD Tier 2)• 6 months (if relevant to worker safety; not in HFTD Tier 3)
Minor	<ul style="list-style-type: none">• 12 months or resolution scheduled in WMP update

Energy Safety directed that we identify all corrective actions and preventive measures taken, or planned, to remedy and prevent recurrence by January 24, 2022.

Background

On June 1, 2021, we self-reported missed installation targets of weather stations and high-definition cameras. In our 2020 WMP, we indicated that our target for weather station installations was 400 in 2020 and a total of 1,300 weather stations by the end of 2021.¹ In our 2021 WMP (dated February 5, 2021), we reported that we had installed 404 weather stations in 2020 and affirmed our long-term goal of installing a total of 1,300 weather stations.² The reported number of weather stations installed in 2020 mistakenly included weather stations installed in 2019 that had been in excess of our 2019 targets. The correct number of weather stations installed in 2020 was 378. In addition, in our 2020 WMP we reported that we had installed a total of 626 weather stations in 2018 and 2019.¹ However, one weather station was inadvertently omitted in that count and the correct total is 627 weather stations installed in 2018 and 2019.

The table below summarizes these corrections:

¹ 2020 WMP Executive Summary at p. 3 (Feb. 28, 2020).

² 2021 WMP at pp. 9, 14 (Feb. 5, 2021).

Year	Target	WMP Reported Actuals	Corrected Actuals
2018	N/A	200	201
2019	400	426	426
2020	400	404	378

As a result of the correction to the 2020 weather station installations, we did not meet our 2020 WMP target for weather station installations.

Response

We agree that we did not meet our 2020 WMP target to install 400 weather stations and previously inaccurately reported that we had exceeded this target. Instead, we installed 378 weather stations in 2020.³ As a corrective action:

- 1) On June 1, 2021, we promptly notified Energy Safety and the Safety Enforcement Division of the reporting error through a Self-Report Notification.
- 2) On June 3, 2021, we corrected the 2020 actual installation counts in PG&E’s Response to Energy Safety’s *Revision Notice for Pacific Gas and Electric Company’s 2021 Wildfire Mitigation Plan Update*.⁴

Additionally, as a mitigating factor, we note that in 2021 we installed 308 weather stations, thus exceeding the 1,300 weather station installation target with a total of 1,313 weather stations.

Year	Target	Actuals
2021	300	308
2018-2021 Totals	1300	1,313

To prevent recurrence of misreporting and missing our WMP targets moving forward, we initiated the following preventive measures:

1. Improved WMP reporting practices by identifying key internal stakeholders, defining the success criteria (i.e., unit completion) for WMP targets, articulating evidence

³ 2021 WMP Executive Summary at p. 9 (June 3, 2021).

⁴ PG&E Response to Revision Notice, Attachment A at pp. 1-2 (June 3, 2021).

required to substantiate completion, and defining Key Performance Indicators (KPIs) to measure progress.

2. Enhanced WMP target closure processes by adding discrete layers of internal review before official closure (or completion) of a target.
3. Instituted a Lean Operating System to create a more effective operating structure that establishes daily operating reviews to improve visibility into all facets of our performance, including safety, quality, and work completion for our wildfire risk reduction programs. The Lean Operating System will facilitate rapid response and problem-solving at both the regional and functional levels and help accelerate our WMP implementation in a standardized and coordinated way across the company.

We also note that the 2020 Independent Evaluator Report confirmed we met all 2020 WMP targets except for the three self-reported issues that are the subject of Energy Safety's December 23, 2021, NOVs, including the missed weather station installation targets.

Please contact me at (415) 420-0422 if you have any questions regarding this matter.

Sincerely,

Lise Jordan,
Sr. Director, Regulatory Compliance

cc: Melissa Semcer, Office of Energy Infrastructure Safety
Caroline Thomas Jacobs, Office of Energy Infrastructure Safety
MaryBeth Farley, Office of Energy Infrastructure Safety
Quang Pham, Office of Energy Infrastructure Safety
Wade Greenacre, PG&E
Anne Beech, PG&E
Robert Morales, PG&E
Safi Rizvi, PG&E
Electric Data Requests, PG&E