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VIA E-MAIL

SUBJECT: QUARTERLY NOTIFICATION TO THE OFFICE OF ENERGY INFRASTRUCTURE SAFETY REGARDING SDG&E'S IMPLEMENTATION OF ITS WILDFIRE MITIGATION PLAN, PURSUANT TO PUBLIC UTILITIES CODE SECTION 8389(e)(7)

Per Public Utilities Code Section 8389(e)(7) and the February 16, 2021 Wildfire Safety Division (WSD) Compliance Operational Protocols,¹ San Diego Gas & Electric Company (SDG&E or the Company) hereby submits to the Office of Energy Infrastructure Safety (OEIS) this notification detailing the implementation of its approved Wildfire Mitigation Plan and the recommendations of the most recent safety culture assessment; a statement of recommendations of the Board of Directors Safety Committee (Safety Committee) meetings that occurred during the quarter;² and a summary of the implementation of the Safety Committee recommendations from SDG&E's previous notification letter.³

PURPOSE

The purpose of this notification is to comply with the requirements of Section 8389(e)(7), which were added to the Public Utilities Code by Assembly Bill (AB) 1054 on July 12, 2019, and subsequently amended by AB 148 on July 22, 2021, to reflect the transition of the Wildfire Safety Division at the California Public Utilities Commission to the Office of Energy Infrastructure Safety (OEIS). Section 8389(e)(7) requires electrical corporations to file a notice of implementation of its wildfire mitigation plan with OEIS "on a quarterly basis that details the implementation of both its approved wildfire mitigation plan and recommendations of the most recent safety culture assessment, and a statement of recommendations of the board of directors safety committee meetings that occurred during the quarter." Section 8389(e)(7) also requires that the notification "summarize the implementation of safety committee recommendations from the electrical corporation's previous notification and submission." SDG&E is simultaneously submitting this notice to the California Public Utilities Commission as an information only submittal.⁴

BACKGROUND

¹ The WSD's Compliance Operational Protocols provides guidance on the contents, format, and timing of the compliance reporting the WSD requires of the electrical corporations.

² This notification includes information relating to activities and events that occurred in the first quarter of 2022.

³ SDG&E Notification Letter Filed on February 1, 2022.

⁴ Public Utilities Code Section 8389(e)(7).

Governor Newsom signed AB 1054 into law on July 12, 2019. AB 1054 contains numerous statutory provisions and amendments designed to enhance the mitigation and prevention of catastrophic wildfires – including wildfires linked to utility equipment – in California. AB 1054 added Section 8389 to the Public Utilities Code. Section 8389(e) establishes the requirements for annual safety certifications⁵ and, *inter alia*, requires electrical corporations to establish a safety committee of its board of directors composed of members with relevant safety experience, establish board-of-director-level reporting to the Commission on safety issues, and file quarterly submissions notifying OEIS and the Commission of the implementation of its Wildfire Mitigation Plan and other matters as described above.

DISCUSSION

Implementation of SDG&E's Approved Wildfire Mitigation Plan

SDG&E tracks 41 quantitative metrics and 29 qualitative metrics on 69 different mitigations proposed in its 2022 Wildfire Mitigation Plan Update. These mitigations are categorized across the ten categories within the WMP including Situational Awareness and Forecasting, Grid Design and System Hardening, Asset Management and Inspections, and Vegetation Management and Inspections. These initiatives are implemented to mitigate the risk of ignitions due to a fault on the electric system and reduce the impacts of PSPS to customers. SDG&E's main system hardening initiatives of covered conductor installation and undergrounding of electric distribution infrastructure provide risk reduction by reducing the likelihood of an ignition. SDG&E has mitigation programs to enhance SDG&E's risk models and help prioritize infrastructure replacement and provide strategies and tools for real time decision making during emergency response or PSPS events. SDG&E also has mitigations intended to reduce the impact of a wildfire once an ignition has occurred, including high-definition cameras, ground and aerial fire suppression resources, and a fuels management program. SDG&E has implemented measures to mitigate the customer impacts associated with PSPS events, including the installation of remote switches to limit the number of customers exposed to PSPS, the establishment of customer resource centers during PSPS events, and SDG&E's customer outreach programs.

In Attachment A hereto, SDG&E provides a breakdown of the progress on quantitative targets for these mitigations. In summary, SDG&E has fire hardened 27 miles of its electric system including 9.9 miles of undergrounding and 2 miles of covered conductor. SDG&E has completed 53% of its detailed electric inspections and 25% of vegetation inspections in 2022. More information on these metrics can be found in SDG&E's Quarterly Initiative Update, also filed May 2, 2022.

Implementation of SDG&E's Most Recent Safety Culture Assessment

Energy Safety issued SDG&E's 2021 Safety Culture Assessment on September 2, 2021. The safety culture assessment was conducted by a third-party contractor, DEKRA, on behalf of Energy Safety. DEKRA assessed the safety culture of SDG&E through workplace surveys and interviews, and generally found that SDG&E "has a robust process for measuring and improving the safety culture, with ambitious near and long-term safety objectives supported by field-based projects

⁵ SDG&E received its 2020 safety certification from the WSD via a letter dated September 14, 2020.

and initiatives for frontline supervisors, employees, and contractors.”⁶ DEKRA made three recommendations for SDG&E to act upon:

1. Integrate safe behaviors associated with mitigating hazards from wildfires and hostile interactions with discontented members of the public into the Behavior-Based Safety observation program.
2. Clarify, coach, and track the behaviors field leadership needs to adopt to advance the safety culture.
3. Recognize and take action to mitigate the serious exposure posed by interactions with certain discontented members of the public.

SDG&E agreed to implement all of the findings and recommendations for improvement of its safety culture assessment on September 3, 2021. SDG&E is actively working to implement the safety culture assessment report through various methods under consideration, including but not limited to the following:

- Operational managers and supervisors will communicate and educate workers on the safe behaviors associated with mitigating hazards from wildfires and hostile interactions with discontented members of the public.
- Updating SDG&E’s safety observation checklists to identify safe and at-risk behaviors associated with mitigating hazards from wildfires and utilize in-house and contract workers to perform observations.
- Safety advisors will host meetings with groups who are likely to have interaction with members of the public and provide public safety training refreshers.
- If feasible, adding or expanding SDG&E’s near miss reporting application to capture risks posed by discontented members of the public.
- Host company-wide psychological safety town hall events and manager training workshops to educate and promote a culture of safety and trust.
- Chief Safety Officer will perform on-site safety visits (rotating district locations) with direct employee engagement, and monitor interactions and feedback.
- District leadership (Directors) will perform on-site safety visits (rotating district locations) with direct employee engagement; track interactions and feedback.
- District leaders will hold safety all-hands meetings to clarify and set safety expectations to advance the safety culture.
- Executive Safety Council (ESC) will solicit feedback from front-line operational employees and supervision on safety culture.

Since its February 1, 2022 Quarterly Notification, SDG&E has performed the following activities to support the above-listed initiatives for implementing safety culture assessment report recommendations:

- Heighted Company-wide focus, attention, and communications regarding “hostile interactions with discontented members of the public” resulting from Winter 2022 bill increases and local media attention.

⁶ *Safety Culture Assessment for San Diego Gas & Electric Company*, prepared by DEKRA (September 2021).

- SDG&E's Senior Vice President – Customer Services & External Affairs issued employee-wide communications providing talking points and safety tips for customer interactions.
- SDG&E's Senior Vice President – Electric Operations and Chief Safety Officer issued employee-wide communications focusing on safely interacting with customers or members of the public and instructed operational leaders to reiterate messaging in safety briefings.
- SDG&E performed “best ever” levels of job safety observations in Q1 2022 and deployed an enhanced Safety Information Management System on March 7, 2022, to allow for deeper and broader data analytics.
- An Executive Safety Council meeting was conducted on March 23, 2022, between SDG&E executives, front-line operational employees, and supervision where employees were asked to provide candid feedback and raise any safety concerns.
- SDG&E held its first “Q1 SMS All Hands Safety Report Out” open to all employees on April 19 and 22, 2022, providing updates of progress, results, achievements across key safety performance indicators and initiatives.

Meetings of SDG&E's Board Safety Committee Meeting

The SDG&E Board Safety Committee⁷ advises and assists the Board of Directors in the oversight of safely providing electric and natural gas services to the Company's customers. The Safety Committee held a meeting on March 2, 2022, during which it received presentations from SDG&E management and employees.

John Jenkins, Vice President for Electrical Systems Operations, provided an overview of the Company's safety performance metrics to date. Mr. Jenkins highlighted the quality of SDG&E's recent “near miss” reporting and highlighted actions the Company has taken to address issues identified in reports.

Ben Gordon, Senior Vice President, Chief Information Officer and Chief Digital Officer, briefed the Committee on cybersecurity efforts in light of the events occurring in the Ukraine. Mr. Gordon reported that the cybersecurity team is constantly monitoring threats, working with third party vendors, and communicating with employees and contractors about how to improve and maintain cybersecurity. Lance Mueller, Director for Cybersecurity, Risk and Compliance, reported on the recent visit from the Transportation Security Administration (TSA) following the issuance of mandatory cybersecurity rules for owners and operators of TSA-designated critical pipelines. Mr. Mueller reported that SDG&E received positive feedback regarding its programs.

Jonathan Woldemariam, Director of Wildfire Mitigation and Vegetation Management, provided a summary of SDG&E's 2021 Wildfire Mitigation Plan (WMP) results and accomplishments. Mr. Woldemariam also discussed SDG&E's goals and innovations listed in the 2022 WMP update, including increasing grid and infrastructure hardening, inspections, PSPS mitigations, and community outreach and education. Oliva Reyes, Director of Construction Management,

⁷ The Safety Committee members include Erbin B. Keith, Chairman; Robert J. Borthwick; and Caroline A. Winn.

highlighted the accomplishments of SDG&E's vegetation management program in 2021 and noted that the Company has one of the strongest programs in California. Brian D'Agostino, Director of Fire Science and Climate Adaptation, provided background on the November 2021 PSPS event and a forecast for red flag warning days in 2022. Mr. D'Agostino also reported on the progress and highlights of several of SDG&E's PSPS mitigation programs, including the Generator Grant Program, the Mobile Home Park Resilience Program, and the Fixed Backup Power Program.

Tashonda Taylor, Vice President for Customer Operations, and Danielle Kyd, SDG&E Access and Functional Needs (AFN) Customer Strategy Manager, reported on the additional support SDG&E is providing for AFN customers, including during PSPS events. Ms. Kyd discussed the evolution of the Company's AFN support program and highlighted that SDG&E is seen as a statewide model for AFN support. She summarized the resources in place to support AFN customers safety during PSPS events, and reported on planned enhancements for 2022.

Erbin Keith, Deputy General Counsel of Sempra and Safety Committee Chair, provided the following recommendations to SDG&E:

- At an upcoming Safety Committee meeting, SDG&E should provide presentations on the following topics:
 - The CPUC's informational workshop on the 2EC Safety Culture Assessment Report of Southern California Gas Company and Sempra in the SoCalGas Safety Culture OII, and lessons learned on the applicability of 2EC's overarching themes to SDG&E.
- The Safety Committee also directed SDG&E to hire a compensation consultant to advise the Committee on safety aspects of compensation, particularly SDG&E's Incentive Compensation Plan.

Implementation of Recommendations of the Board of Directors Safety Committee in the Prior Quarter

As noted in SDG&E's February 1, 2022 Quarterly Notification Letter to OEIS, SDG&E's Board Safety Committee previously recommended that SDG&E provide updates on the following topics:

- The status of Dura-Line plastic pipe.
- SDG&E's enhanced vegetation management program.

Ms. Reyes covered the success of SDG&E's vegetation management efforts, including the enhanced vegetation management program. Mr. Woldemariam also discussed the enhanced vegetation management program performance for 2021 and goals for 2022.

UPDATE ON SDG&E'S WILDFIRE SAFETY COMMUNITY ADVISORY COUNCIL MEETINGS

Per the requirement established in D.20-05-051 that SDG&E report on advisory council activities on a quarterly basis, SDG&E's Wildfire Safety Community Advisory Council met on February 10, 2022. The Wildfire Safety Community Advisory Council is comprised of several important

stakeholders in the SDG&E community and includes representatives from local and tribal governments, public safety partners, and Access and Functional Needs communities.

SDG&E's Chief Executive Officer, Caroline Winn, opened the meeting and noted the unusual heat and fire weather in February. Ms. Winn said the weather was a reminder that fire season is all year and requires ongoing and continued attention. Ms. Winn introduced Thom Porter, SDG&E's new Director of Emergency Management. She also discussed the increases in energy prices and noted that SDG&E continues to listen to its customers and their feedback to understand bill challenges and the best way to address them.

Mr. Woldemariam and Mr. D'Agostino provided the Council with an update on the results of SDG&E's 2021 WMP, and initiatives and plans detailed in the 2022 WMP Update. They noted that SDG&E's updated modeling includes wildfire risk and PSPS impacts to better target mitigation efforts such as grid hardening and strategic undergrounding. Mr. Woldemariam also discussed the expanded use of covered conductor, and that SDG&E is the first utility to include undergrounding of secondary lines in undergrounding efforts. Mr. D'Agostino discussed the unseasonably warm temperatures, and how SDG&E continues to explore enhancements in data analysis to improve meteorology and forecasting. They also addressed SDG&E's ongoing community outreach to promote PSPS awareness and resiliency.

Ms. Kyd provided an update on SDG&E's AFN strategy and the development of SDG&E's AFN model which is now used statewide. Ms. Kyd described how SDG&E leveraged expanded support and tools to identify AFN customers and target strategies to promote PSPS resiliency, including expanded generator offerings. SDG&E has also enhanced accessibility for communications, converting all notifications to a more accessible format with video versions and ASL translators to better reach customers with sensory disabilities. SDG&E heard from council members who expressed concerns regarding long wait times when trying to reach the Company. Scott Crider, SDG&E Senior Vice President for Customer Services and External Affairs, noted that wait times had increased because of unusually high bills and that SDG&E was using an "all hands on deck" approach to improve the process. He noted that he would take the council's insights back to the team to address potential improvements.

NOTICE

This filing will be submitted to the Office of Energy Infrastructure Safety, the Executive Director of the California Public Utilities Commission, and posted to SDG&E's website (<https://www.sdge.com/2021-wildfire-mitigation-plan>).

Respectfully submitted,

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Attorney for

San Diego Gas and Electric Company