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Caroline Thomas Jacobs, Director
Office of Energy Infrastructure Safety
California Natural Resources Agency
Sacramento, CA 95184
caroline.thomasjacobs@energysafety.ca.gov
efiling@energysafety.ca.gov

Subject: **Comments of the Public Advocates Office on the 2023 Wildfire Mitigation Plan Guideline Development Workshop**

Docket: **2023-WMPs: 2023 Wildfire Mitigation Plans**

Dear Director Thomas Jacobs,

The Public Advocate's Office (Cal Advocates) at the California Public Utilities Commission (CPUC) submits the following comments on the 2023 Wildfire Mitigation Plan Guideline Development Workshop (Guidelines Workshop). We respectfully urge the Office of Energy Infrastructure Safety (Energy Safety) to adopt the recommendations discussed herein.

Contents

I. INTRODUCTION

On April 22, 2022, Energy Safety held a workshop discussion of potential changes to the 2023 Wildfire Mitigation Plan (WMP) Guidelines (2023 Guidelines). The proposed 2023 Guidelines will create templates, establish requirements for the content of WMPs, and set filing schedules for the three-year WMP cycle beginning in 2023. Pursuant to the workshop notice, stakeholders may file written comments by May 6, 2022. In these comments, Cal Advocates makes the following recommendations, among others:

A. Energy Safety should continue to work with stakeholders in developing 2023 WMP guidelines. The process for refining WMP guidelines should include additional workshops and opportunities to submit written comments, with a target date of October 1, 2022, for Energy Safety to promulgate the final 2023 WMP guidelines.

B. Energy Safety should stagger the submission of comprehensive WMPs, in the three-year window created by all utilities filing comprehensive 2023 WMPs.

C. Energy Safety should modify the WMP submission schedule so that WMPs are approved or denied prior to the start of the implementation year. Currently approval or denial occurs in the middle of the year, which can hinder the execution of changes to work the utility is already performing.

D. Energy Safety should clearly differentiate annual update submissions from comprehensive WMPs.

E. Energy Safety should work with the CPUC to require alignment between GRC and WMP cost accounting.

F. Energy Safety should work with the CPUC's Energy Division to produce comparable WMP bill impact estimates.

II. Process and Stakeholder Input on WMP Guidelines

A. Energy Safety should continue to work with stakeholders in developing 2023 WMP guidelines.

Cal Advocates recommends that Energy Safety schedule additional workshops to hear stakeholder perspectives on the 2023 Guidelines. To make these discussions productive and focused, Energy Safety should issue a staff proposal that provides specific proposals or options for discussion.

Cal Advocates appreciates the efforts of Energy Safety in holding the April 22, 2022 workshop on the 2023 Wildfire Mitigation Plan Guidelines. The workshop was informative and timely, and served as a useful jump-start to conversation among stakeholders about how best to structure WMPs in future years.

In comments on the 2022 WMPs, Cal Advocates recommended that Energy Safety develop a staff proposal for the 2023 Guidelines.[1] In verbal comments during the workshop, Cal Advocates encouraged Energy Safety to hold at least one additional workshop once stakeholders were able to consider and process the information presented. We reiterate these recommendations here.

The presentation and subsequent question and answer session at the workshop raised numerous questions regarding specific WMP implementation issues that remain to be addressed. For example, in the workshop preparatory materials and discussion, Energy Safety mentioned but did not present specific proposals to:

- Freeze risk models,
- Require more validation and verification of models,
- Require technical documentation for risk models,
- Differentiate WMP updates from comprehensive WMPs,
- Create a petition process for including significant program changes in WMP update filings,
- Revise the WMP filing schedule,
- Schedule WMP filings in the year prior to implementation, and
- Move some information from the body of the WMP to appendices.[2]

In light of the complexity of these issues, the April 2022 Guidelines Workshop is a first step in the process of drafting guidelines. As specific proposals are created, further refinement will be needed, and stakeholders should be given an opportunity to provide feedback on those new proposals. In addition, to ensure that the substantial number of outstanding issues are appropriately considered, Energy Safety should develop a staff proposal for the 2023 WMP guidelines and circulate that proposal to stakeholders for discussion and revision. The staff proposal should include reasonably complete descriptions of each guideline change that Energy Safety is proposing.

Importantly, a staff proposal should be understood by all parties as a basis for discussion and deliberation, not a final product. In the past, Energy Safety has issued draft

[1] *Comments of the Public Advocate's Office on General Issues in the 2022 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, pp. 23-25.

[2] Energy Safety, Pre-Workshop Material, April 19, 2022.

guidelines, but these have usually been near-final documents, subject to minor changes based on written stakeholder comments.

Stakeholders should be given at least a week to consider this staff proposal, and then Energy Safety should schedule at least one iterative workshop discussion. The workshops should feature panel discussions instead of presentations. Participating stakeholders should have an opportunity to offer alternative proposals. The goal of the workshops is to establish areas of stakeholder consensus, to identify disagreements, and to collaboratively consider the pros and cons in areas where stakeholders differ.

Lastly, the workshops should be followed by written comments and reply comments from stakeholders, as described below, before Energy Safety issues a complete set of draft 2023 WMP guidelines.

B. Energy Safety should release final guidelines for the 2023 WMPs no later than October 1, 2022.

Preparing comprehensive WMPs is a complex task that requires significant time and effort by utilities. As the requirements for the 2023 WMPs are likely to incorporate significant differences from the requirements for the 2022 WMPs, the utilities should have a reasonable amount of time to develop their plans.

To allow utilities sufficient time to develop 2023 WMPs that meet Energy Safety's revised requirements, Energy Safety should strive to adopt its final guidelines for the 2023 WMPs by October 1, 2022. Draft guidelines should be issued no later than August 1, 2022. Stakeholders and utilities should be given three weeks to file comments, and one week to file reply comments. This would give Energy Safety a full month to consider and incorporate changes, revise the guidelines, and issue final guidelines by October 1, 2022.

III. Improving WMP Submission Schedules

A. Energy Safety should stagger the submission of comprehensive WMPs, in the three-year window created by all utilities filing comprehensive 2023 WMPs.

As Cal Advocates has previously stated,[3] reviewing multiple comprehensive WMPs simultaneously is a challenging task, and intervenors are hard-pressed to thoroughly review the submissions in years when all utilities file comprehensive WMPs. Likewise, preparing a comprehensive WMP is a heavy workload for utility staff. Reducing the total length and complexity of the update WMP submissions would enable both Energy Safety and

[3] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 45-46.

intervenors to perform a more in-depth and thorough review of the WMP submissions each year.

To spread the burden more evenly, Energy Safety should begin to stagger the submissions of comprehensive WMPs with the aim that, each year, one large and one small investor-owned utility (IOU) will submit a comprehensive WMP, and the remaining four IOUs will submit updates.[4] It may not always be possible to maintain this ideal schedule. For example, as we have previously recommended,[5] Energy Safety should also trigger a new comprehensive submission if a utility's previous WMP is seriously deficient or the utility experiences major safety failures.[6] Nonetheless, Energy Safety should adopt a plan to smooth the workload that, at a minimum, avoids having all three large utilities file simultaneous comprehensive plans.

In order to meet statutory requirements, all IOUs must file a comprehensive WMP in 2023, and another by 2026.[7] Staggering the deadlines would require some utilities to submit comprehensive WMPs sooner than 2026. Although this could result in additional work in the short-term for the affected utilities, there will be a significant reduction in the annual review burden on stakeholders and Energy Safety, which will result in a more effective review of the WMPs in a given year.

It is important to note that staggering comprehensive submissions would impose no substantial *additional* burden on utilities compared to recent years. As Cal Advocates has previously commented, the requirements for comprehensive WMPs and update submissions were not substantially different during the 2020-2022 cycle.[8] As a result, all utilities have been preparing the equivalent of a comprehensive plan annually thus far.

Cal Advocates proposes the following schedule and filing format, where the letters A through F represent the utilities:

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[4] In these comments, Cal Advocates addresses only the IOUs, and omits discussion of independent transmission operators or publicly-owned utilities.

[5] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 44-45.

[6] In the event that a utility needs to file an off-cycle comprehensive WMP, the three-year cycle should remain in effect. Thus, if utility A had to file a comprehensive plan in 2026 (due to deficiencies observed in 2025), it would still have a comprehensive plan as scheduled in 2027, to maintain the normal three-year cycle.

[7] Public Utilities Code 8387(b)(1) states, in part, "After January 1, 2020, a local publicly owned electric utility or electrical cooperative shall prepare a wildfire mitigation plan annually…At least once every three years, the submission shall be a comprehensive revision of the plan."

[8] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 46-48.

Table A **Proposal to Stagger Comprehensive WMPs**						
Year	**Large utilities**			**Small utilities**		
	A	**B**	**C**	**D**	**E**	**F**
2023	***Comprehensive WMP***	***Comp. WMP***	***Comp. WMP***	***Comp. WMP***	***Comp. WMP***	***Comp. WMP***
2024	***Comp.***	Update	Update	***Comp.***	Update	Update
2025	Update	***Comp.***	Update	Update	***Comp.***	Update
2026	Update	Update	***Comp.***	Update	Update	***Comp.***
2027+	Utilities continue to file comprehensive WMPs every 3 years, offset from each other by one year					

When determining which utilities should file comprehensive WMPs in each year, Energy Safety should take into consideration when the utilities are required to prepare and submit General Rate Case (GRC) applications. Since many of the same personnel work on both WMPs and the wildfire-related portions of GRCs, it would be best to avoid scheduling those filings in the same year, to the extent possible.[9]

Energy Safety should prepare a staff proposal for the 2023 WMP guidelines, which should include a schedule for staggering comprehensive and update submissions between utilities as recommended above. This proposal should then be discussed in a subsequent workshop with utilities and stakeholders.

[9] Cal Advocates notes that large utility GRCs are on a four-year cycle, so some periodic overlap will occur.

B. Energy Safety should modify the WMP submission schedule so that WMPs are approved or denied prior to the start of the implementation year. Currently approval or denial occurs in the middle of the year, which can hinder improvements and adjustments.

1. The schedule should be modified to encourage more proactive planning.

Over the 2020-2022 WMP cycle, utilities submitted WMPs beginning in February of each year, with the plans covering the same calendar year. The plans were approved by Energy Safety and ratified by the CPUC as early as June in 2020, and as late as October in 2021. This schedule is not conducive to a meaningful and effective regulatory review process, as the review takes place after the plan is underway. We are, in effect, asking where we are going after the train has left the station.

The current schedule is not beneficial to any party. It is impractical for the utilities, as it requires utilities to perform work provisionally during the beginning of the year while their WMPs are still being reviewed and exposes them to the risk that initiatives in progress will not be approved.

It also diminishes regulatory effectiveness. By the time Energy Safety completes its evaluation and makes findings, much of the wildfire mitigation work at issue has already been performed. If Energy Safety finds that a WMP requires substantial revisions, as it did in 2021, there is little or no time to make improvements, since the work has been underway for nearly half a year. If Energy Safety denies a WMP, this could result in retroactive disapproval of work the utility has already spent substantial time and resources performing.

Even if Energy Safety approves the WMPs with no revisions, stakeholders will not be assured of having a complete understanding of the utility's wildfire mitigation activities in a given year until shortly before – or even during – wildfire season. To mitigate this, final decisions on WMPs should be published prior to the implementation year of the WMP. If there are unexpected or unavoidable delays, final decisions should be published within the first quarter of the implementation year.

Energy Safety's pre-workshop material appears to support this goal, stating, "Beginning in 2024 or 2025: WMP to cover subsequent year (i.e., submit 2025 WMP in 2024)."[10] Energy Safety should begin adjusting the schedule sooner, such that the

[10] Energy Safety, Pre-Workshop Material, served on the OEIS_WMPS service list on April 19, 2022, p. 1.

misalignment between WMP approval and the performance of mitigation work is resolved by 2024, rather than lasting into 2025.

2. Cal Advocates offers a preferred schedule with WMP filings in the fall.

Cal Advocates proposes the following annual schedule. For simplicity, we include only key milestones here.

Table B
Cal Advocates' Preferred Annual WMP Calendar

Date	Large utilities	Small utilities
September 1	Large utility WMP filings	
October 27	Intervenor comments (+56 days)[11]	Small utility WMP filings
December 1	OEIS draft decisions or revision notices published (+3 months)	
December 22	Comments on draft decisions (+21 days)[12]	Intervenor comments (+56 days)
January 27		OEIS draft decisions or revision notices published (+3 months)
February 17		Comments on draft decisions (+21 days)

While no annual filing schedule will be perfect, this would represent a significant improvement over the status quo. We offer this schedule as a starting point for discussion,

[11] In 2020, intervenors were given 60 days to comment on WMPs (per Resolution WSD-001, page 3). In 2021, intervenors had 52 days to comment on large utility WMPs. In 2022, intervenors were given 56 days to comment on SDG&E's WMP, though less for SCE's and PG&E's WMPs (per the 2022 WMP Guidelines published on December 15, 2021). 56 days is therefore a reasonable comment period for future WMPs.

[12] Given this date, the deadline for reply comments would fall during the Christmas holiday season. Therefore, Energy Safety should extend the reply comment deadline by a week to allow a reasonable number of working days. Likewise, if any comment period straddles Thanksgiving week, Energy Safety should allow three extra business days.

and we recommend that Energy Safety hold a workshop discussion on scheduling issues to hear the perspectives of all stakeholders.

A potential downside of this proposed schedule is that utilities would not be able to incorporate all lessons from a given year's wildfire season into the WMP for the following year. Thus, utilities should be encouraged to file Change Orders no later than February 1 of the plan implementation year, to incorporate lessons from the prior year's fire season.

3. Energy Safety should adopt a plan to gradually shift to the preferred filing schedule.

It is not realistic to adopt a September WMP filing date immediately in 2022, because guidelines for the 2023 WMPs are not yet ready. The guidelines should be published about four months before the utilities submit their comprehensive WMPs for 2023-2025. Further, shifting directly to this preferred schedule would require utilities to file two WMPs in a calendar year for the first year. In order to minimize the burden on utilities, Cal Advocates presents two options.

First, Energy Safety could shift the WMP filing date forward by one or two months annually until the filing date is aligned with the preferred schedule. For example, utilities would file the 2023 WMPs in early January of 2023, the 2024 WMPs in November of 2023, and the 2025 WMPs in September of 2024, bringing the submission dates into alignment with the preferred schedule.

Alternatively, Energy Safety could adopt the proposal earlier in these comments to stagger the submissions of comprehensive WMPs in the 2023-2025 WMP period. Since the annual update submissions should be substantially less complex and burdensome than comprehensive filings, it is feasible to schedule a comprehensive submission in February and then an update submission in the fall of the same year. Energy Safety would thus require utilities to file their first update about seven months after they filed their comprehensive WMP. This would reduce the burden on utilities by ensuring that no utility would be required to file two comprehensive WMPs in the same year.

4. If WMP filings in the fall are not feasible, Energy Safety could change the WMP implementation year to start on July 1.

While a fall filing date is logical in many respects, it does create challenges. One significant obstacle is that time period for preparation and review of the WMPs could overlap with the peak wildfire season. During the fall, many of the utility personnel who are involved in WMPs may also be called upon to participate in emergency operations for wildfires or de-energization events. These emergency operations activations are most common from the middle of September through early December.

If Energy Safety and the stakeholders conclude (after further consultation) that a WMP filing date in September is not feasible, then an alternative would be to modify the WMP implementation year. Each WMP could cover a fiscal year (July 1st through June 30th) instead of a calendar year. With the implementation year starting in July, the current schedule (with large utilities' WMPs filed in mid to late February) would be reasonable. Cal Advocates has previously suggested this option.[13]

5. Energy Safety should hold further discussions with stakeholders on WMP filing schedules.

Energy Safety should prepare a staff proposal for the 2023 WMP guidelines, which should include one or more schedules to shift the submission of WMPs forward such that the plans are approved or denied prior to the implementation year. This proposal should then be presented and discussed in a subsequent workshop with utilities and stakeholders.

C. Energy Safety should continue to stagger the WMP submissions of the large and small IOUs.

In 2022, there is no overlap between the review period for the large IOUs and the small IOUs. Cal Advocates supports this schedule, as it allows intervenors to focus wholly on each set of peer utilities, rather than splitting resources and attention between six utilities.

Energy Safety should maintain a similar schedule in future years, requiring the small utilities to submit WMPs after stakeholders have had a chance to file reply comments on the large WMPs.

If the comprehensive WMPs are staggered as proposed elsewhere in these comments, the review burden each year will substantially decrease, possibly allowing for aligning the filing dates for small and large IOUs. However, until utilities and intervenors have gone through at least one review period in this new, staggered schedule, Energy Safety should maintain the separation of the review periods for the large and small IOUs.

IV. Differentiating Comprehensive WMPS from Annual Updates

A. Energy Safety should ensure that annual update submissions are narrowly focused on changes from the previous comprehensive plan.

As Cal Advocates has commented previously, for the 2020-2022 WMP period, there was little difference between the requirements for a comprehensive WMP and an update

[13] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 43-44 and Appendix C.

WMP.[14] The 2021 and 2022 WMPs were significantly longer than the 2020 WMPs, despite ostensibly being "updates" to the 2020 comprehensive WMP.

To prevent a similar situation in the future, the 2023 WMP guidelines should clearly delineate the differences between comprehensive and update WMPs. The update WMPs should consist of changes from the prior comprehensive plan, such as changes to program targets, mitigation methods, or decision-making criteria. The full explanation of programs, risk models, and risk drivers need not be repeated in updates.

Cal Advocates previously submitted a straw proposal for the difference between comprehensive and update WMPs.[15] While all the specifics of the straw proposal may not be relevant in light of Energy Safety's proposed reorganization of the WMP sections, the proposal still represents a starting point for developing pared-down requirements for update WMPs.

In the final guidelines for the 2023 WMPs, Energy Safety should delineate clear differences between comprehensive WMPs and update WMPs, focusing the latter on changes from the most recent comprehensive plan.

At the same time, Energy Safety should set guidelines for update WMPs to ensure that a reader need never consult more than two filings (the comprehensive plan and the most recent update) to understand the current state of each initiative. For example, an update submitted in 2025 should supplant a 2024 update, so that a reader only needs to review the utility's 2023 comprehensive plan (to understand the baseline scope and goals of a program) and the 2025 update (to see how the program has evolved). Otherwise, stakeholders and members of the public may need to interpret "updates to updates," which is not only burdensome but likely to lead to misinterpretation and confusion.

B. Energy Safety's proposed petition to make changes to a WMP update has promise, but the proposal needs to be fleshed out.

In the Guidelines Workshop, Energy Safety discussed creating a petition process, whereby utilities could ask to include new or changed programs in WMP update submissions. Cal Advocates proposes that several key questions regarding the proposed petition process be further fleshed out through a staff proposal, a future workshop, or

[14] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 46-48.

[15] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, Appendix D.

another forum, including the timeline for petitions to be submitted, the process for petition approval, and the appropriate contents for a petition.

For a WMP update filing to focus on changes from the previous comprehensive WMP, the majority of the WMP programs must be held steady.[16] If utilities can include all sorts of program changes in WMP update filings, then the updates will become overly complex. The distinction between comprehensive and update submissions then collapses, as has happened the past two years.

On the other hand, there are also circumstances where it is necessary to make program changes in the middle of a three-year cycle. If new evidence shows that a mitigation measure is highly effective in terms of risk reduction and highly cost-effective, a utility should be able to scale up that measure promptly. Conversely, if a measure proves ineffective, the utility should phase it out. Waiting for the next comprehensive submission may not be reasonable.

Energy Safety has discussed a petition process for inclusion of new or modified programs in WMP update filings to maintain a narrow focus in update years while still allowing for necessary, urgent changes. During the Guidelines Workshop, Cal Advocates stated that the petition process for program changes in update years is promising, but that the idea needs further development.[17]

With regard to the petition process, Energy Safety's decision-making on a WMP is inherently limited by Public Utilities Code section 8386.3.[18] That is, even where Energy Safety approves a petition to include a new program in the next WMP, that program cannot be considered an approved part of the WMP until it is submitted within an annual WMP filing that is approved by Energy Safety and ratified by the CPUC.

Cal Advocates recommends that the petition process be construed as procedural rather than substantive: approval of a petition would allow the utility to include a new or modified program in the next WMP update but would not imply approval of the program. This would ensure that Energy Safety and stakeholders have an opportunity to perform a substantive analysis of the program changes when the utility submits its WMP update.

Energy Safety should also consider the appropriate threshold for a change which will require a petition. In the workshop, Cal Advocates suggested a considering thresholds for

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[16] In other words, the program's basic purpose, goals, scope, geographical focus, prioritization of work, and targets should not significantly change from the previous comprehensive WMP.

[17] Recording of 2023 Wildfire Mitigation Plan Development Workshop, April 22, 2022, starting at 2:19:58, retrieved from https://www.youtube.com/watch?v=OFt0SpZRqto.

[18] P.U. Code § 8386.3 requires that Energy Safety's decision on a WMP be ratified by the CPUC.

program targets. For example, changes in the band from 5-20 percent could be allowable without petition so long as the utility adequately explains and justifies the change, but changes greater than 20 percent would be required to be approved through the petition process. This approach can be applied to quantitative changes, such as output targets (e.g., number of inspections completed per year) and costs, but it will not work for changes in program descriptions, scope, and geographical focus.

Energy Safety should consider and propose detailed criteria for the bounds of the proposed petition in its staff proposal. This should address both quantitative and qualitative changes in WMP initiatives.

In addition, to allow appropriate time for Energy Safety to consider a petition's proposed revisions and potentially include the changes into the upcoming WMP, Cal Advocates recommends that Energy Safety establish a deadline for the submittal of petitions. A reasonable deadline would be a few months prior to the next WMP update filing. Similarly, it may make sense to disallow the submission of petitions during the pendency of WMP update filings (prior to the adoption of Energy Safety's final determination). Once a petition is filed, the process should require timely resolution by placing a reasonable time limit on Energy Safety's approval process.

Finally, it is important that any process adopted to consider changes provide the same level of scrutiny and stakeholder input as a WMP update filing, to avoid the creation of a perverse incentive to use the petition process for proposing major changes to a WMP. At a minimum, Energy Safety should allow stakeholder parties an opportunity to comment on any outstanding petitions. So long as the petition process only conveys permission to include a new or modified program in the next WMP update, this will ensure adequate oversight and public input.

V. Financial Transparency and Consistency

A. Energy Safety should work with the CPUC to require alignment between GRC and WMP cost accounting.

To ensure full transparency of future costs, Energy Safety should collaborate with CPUC staff to develop mutually agreeable cost categorizations that can easily be mapped from GRCs to WMPs. This would improve the ability of intervenors to understand wildfire mitigation programs and track utility performance. It would have the additional benefit of lessening the burden of regulatory compliance on the utilities by avoiding the need to track and slice accounting and risk data differently for each agency.

While Energy Safety and the CPUC have differing roles in approving programs and spending, they have a common interest in ensuring transparency into the relative costs and benefits of potential wildfire mitigations. However, where cost categorization differs across

Energy Safety proceedings such as the WMP and CPUC proceedings such as the GRC and the Risk Assessment Mitigation Phase (RAMP), it becomes difficult to track the efficacy of mitigations over time and in either forum. As a rule, costs should not be aggregated in ways that obscure (either within or across proceedings and jurisdictions) the actual impact of wildfire mitigations on ratepayers.

For example, PG&E categorizes spending in GRC proceedings into Major Work Categories (MWC), each of which contain several Maintenance Activity Type (MAT)[19] codes for various functions within those work categories. These MWC/MAT codes do not always track cleanly to WMP programs as structured in the WMP guidelines, and requesting this mapping from the utilities through discovery on a program by program basis is labor-intensive. Further, MWC/MAT code categorization of various programs can potentially change over time, creating additional difficulty in making accurate comparisons.

Energy Safety and the CPUC have a common interest in aligning these cost categorizations to the extent possible. While it may not be possible for Energy Safety and the CPUC to use precisely the same categorizations at the most granular levels, alignment across high-level categories would allow the two regulators, as well as stakeholders to compare program costs more easily over time. Energy Safety should prioritize working with the utilities and the CPUC to determine mutually acceptable categorizations and to apply them in the next WMP cycle.

In the process of aligning program categorizations, Energy Safety should ensure that WMP initiatives definitions are *at least* as granular as GRC definitions. For example, if a utility's GRC defines "distribution system hardening" as its most granular category, the WMP should have finer categorizations for several kinds of distribution system hardening.[20] This one-to-many mapping is logical and comprehensible.

Above all, Energy Safety and the utilities must avoid defining programs in fundamentally incompatible ways. For example, suppose a utility's GRC separates asset inspection programs into compliance inspections and enhanced inspections, while its WMP includes initiatives for distribution inspections and transmission inspections. This opaque situation prevents stakeholders and regulators from comparing forecast and actual spending across proceedings and years. (Appendix A of these comments includes additional illustrations of how to match activities between the WMP and the GRC.)

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[19] PG&E is used here for illustrative purposes only; other utilities categorize costs similarly but not identically.

[20] Cal Advocates has previously recommended disaggregating distribution system hardening into sub-categories by project purpose (wildfire risk mitigation, fire rebuild, or PSPS mitigation), with sub-sub-categories for each mitigation measure (e.g., covered conductor, undergrounding, line removal, and fuse replacements).

To promote transparency and effective regulatory oversight, Energy Safety should also require each WMP to identify the applicable GRC accounting category for each WMP initiative. This can be accomplished by adding a field for GRC program identifiers (such as the MWC/MAT codes for PG&E) to the WMP initiative data in Table 12 of the WMP non-spatial data. This will give all stakeholders insight into how programs are performing and the ability to track the utility's commitments across proceedings.

B. Energy Safety should work with the CPUC's Energy Division to produce comparable WMP bill impact estimates.

Energy Safety has recognized the importance of tracking the ratepayer impact of wildfire mitigation programs over time through the inclusion of two outcome metrics in section 3 of the WMP. These metrics track the total increase in electric costs to ratepayers due to utility related ignitions, and due to wildfire mitigation activities. This information is important and including it in the WMP makes it publicly accessible.

Unfortunately, the ratepayer impact metrics as currently implemented are too open-ended and leave the utilities too much latitude, resulting in figures that are inconsistent and impossible to compare across utilities.[21] In prior comments, Cal Advocates has documented how the utilities differ in the assumptions they use in calculating these outcome metrics.[22] To address this problem, Cal Advocates has recommended that Energy Safety facilitate a technical working group to develop a single methodology for rate and bill impact calculations to ensure that the metrics are comparable across utilities.[23]

The CPUC's Energy Division has recently been working to quantify the rate and bill impacts of various utility programs through the development of cost and rate tracking tools, which are provided by the utilities on a quarterly basis.[24] In fact, the 2021 Energy Division white paper outlining this methodology also modeled WMP rate and bill impacts for the years 2021-2030.[25]

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[21] *Comments of the Public Advocates Office on Draft Resolution WSD-011*, November 2, 2020, pp 7-8.

[22] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 56-57.

[23] *Comments of the Public Advocates Office on the 2021 Wildfire Mitigation Plan Updates of the Large Investor-Owned Utilities*, March 29, 2021, pp. 56-57.

[24] *Utility Costs and Affordability of The Grid of the Future*, CPUC Energy Division White Paper (ED White Paper), May 2021.

[25] ED White Paper, pp. 58-67.

In order to produce comparable estimates of ratepayer impact, Energy Safety and the utilities should collaborate with the CPUC's Energy Division and use the cost and rate tracking tools to develop annual ratepayer impact outcome metrics. The quarterly cost and rate tracking submissions already contain all the data needed to calculate the outcome metrics required in the WMP. Taking advantage of the established methods and tools developed by Energy Division would require less work for Energy Safety than designing a metric sufficiently detailed to produce figures that are accurate and comparable across utilities. It would also minimize the regulatory burden on the utilities by using the formatting and methodologies they already use to present this data to Energy Division.

VI. Reorganizing the WMP Guidelines

A. In 2024 and later years, Energy Safety should modify guidelines to remove reporting on the prior year's progress.

It is crucial to move WMP submissions forward so that they are approved prior to the implementation year, as discussed in section III.B of these comments. However, this will impair the ability of utilities to report on their progress from the prior year. Fortunately, much of this information is available in other filings such as the quarterly data reports and the annual reports on compliance.

Energy Safety should evaluate whether required WMP progress data is duplicative of other filings. To the extent that required data is reported elsewhere, the guidelines should state that the WMP should refer to the regulatory submissions that include the required data, up to date through the most recent quarterly data report.[26] The WMP should also reference upcoming submissions such as future quarterly data reports and the annual report on compliance. The WMP itself would then not need to include the data that is included in full in the referenced regulatory submissions. This will reduce the burden on utilities by reducing duplication of effort, without reducing the quality and quantity of information available to Energy Safety and stakeholders.

B. Energy Safety should not combine System Hardening with Asset Inspections in the 2023 WMP Guidelines.

Energy Safety proposes a new category "Grid Design, Inspections, and Maintenance" in the 2023 WMP Guidelines that would combine both the "Grid Design and System Hardening" and "Asset Management and Inspections" sections from the previous WMP Guidelines. However, these two types of work are very different and should continue

[26] Under the preferred schedule with WMP filings in the fall, this would be the quarter two quarterly report, filed at the beginning of August.

to be reported as two separate wildfire mitigation categories.[27] Energy Safety's proposal of combining these two categories is not beneficial because there is no overlap in the content of these two sections. Instead, combining the two topics would likely make it more difficult for stakeholders to locate information in each WMP. Difficulty in locating information in a WMP takes away from a stakeholder's ability to critically analyze and provide feedback on the utility's mitigation efforts.

The Grid Design and System Hardening section of the WMP discusses the programs that the IOUs are undertaking to upgrade their distribution and transmission equipment to make it more resilient in severe weather and less likely to ignite a major wildfire. These programs range from undergrounding and installing covered conductor on overhead lines in HFTD areas to creating microgrids and replacing non-exempt fuses.[28] This section mainly focused on how and where the IOUs will install or replace equipment.

However, the Asset Management and Inspections section of the WMP discusses how the IOUs identify and repair potentially defective or failing equipment on the electric system.[29] These programs aim to ensure that existing equipment is in good working condition, including in areas that are not easily accessible by workers (through remote sensing and aerial inspections, for example). The activities reported under this category mainly focus on continual maintenance of installed assets.

Energy Safety's 2023 Maturity Model Reorganization of the category "Grid Design, Inspection, and Maintenance" shows a heavier focus on Asset Management and Inspections rather than having an equal balance of focus on system hardening and asset management. It is essential to maintain thorough scrutiny of Grid Design and System Hardening, as this is usually the most expensive category of wildfire mitigation measures.[30]

To resolve this issue, Energy Safety should maintain the distinction between "Grid Design and System Hardening" and "Asset Management and Inspections" in the 2023 WMP Guidelines. Keeping these two categories separate will allow stakeholders to properly review the two topics and better understand both the mitigation initiatives and the costs associated with each.

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[27] OEIS 2023 WMP Guidelines Workshop Slides, Slide 92.

[28] For example, see SDG&E 2022 WMP Update, pp. 210-244.

[29] For example, see SDG&E 2022 WMP Update, pp. 244-273.

[30] For example, see SDG&E 2022 WMP Update, p. 15.

VII. Risk Assessment and Modeling

A. Energy Safety should explain what aspects of the risk models it proposes to freeze.

Energy Safety should further explain what it means to "freeze" risk assessment or risk models.[31] Energy Safety should clarify in detail what it means by this statement and which aspects of the risk models it proposes to freeze.

It could be beneficial to "freeze" the methodologies of the risk models for the 2023-2025 WMP cycle, because freezing models could promote continuity in each utility's selection and prioritization of mitigation efforts. Continuity in risk models may also allow intervenors to conduct more thorough analyses of the utility's mitigation efforts, instead of trying to understand new and evolving modeling practices.

However, the proposal was not sufficiently clear from the workshop and needs further development. Wildfire risk changes from year to year and risk models should incorporate the most current available data. It may be workable to freeze risk modeling methodologies but allow the IOUs to update the input data.

B. Energy Safety should require more transparency of Multi-Attribute Value Functions (MAVF) and Public Safety Power Shutoff (PSPS) Risk and consequence Models within the 2023 WMP Guidelines.

Energy Safety proposes the use of "Schematics showing the high-level calculation procedure" for each risk and risk component, which includes risks and consequences to the public caused by PSPS. Additionally, it proposes a "High-level description of the approach (such as MAVF) used to combine risk components."[32]

Cal Advocates appreciates Energy Safety's effort to improve transparency regarding modeling methods. However, high-level descriptions of MAVF methodology and calculation procedures will not be helpful for understanding the IOUs' WMPs without additional details and demonstrations of the models' function. The IOUs already provide high-level descriptions of these items in their PSPS post-event and post-season reports, as well as in their WMPs.[33] Such high-level descriptions of decision-making factors, particularly those related to assumptions of risks and harms to customers caused by PSPS,

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[31] OEIS 2023 WMP Guidelines Workshop Slides, Slides 35 and 36.

[32] OEIS 2023 WMP Guidelines Workshop Slides, Slide 60.

[33] For example, see PG&E 2022 WMP Update, p. 199.

are not conducive to stakeholder scrutiny of the IOUs' assumptions regarding risks and harm to customers.[34]

To resolve this issue, Energy Safety should require the IOUs to provide detailed descriptions and examples of function for their MAVF methodology, PSPS risk models, and PSPS consequence models. This will better advance Energy Safety's push for greater modeling transparency. Lastly, Energy Safety should specify that the detailed model documentation must include real world examples (or hypothetical examples if no PSPS events were executed) of the specific values and calculations that the IOUs use when conducting MAVF, PSPS risk, and PSPS consequence analysis.

VIII. CONCLUSION

Cal Advocates respectfully urges Energy Safety to adopt the recommendations discussed herein. For any questions relating to these comments, please contact Henry Burton (Henry.Burton@cpuc.ca.gov).

Sincerely,

/s/ *LAYLA I. LABAGH*

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Layla I. Labagh
Attorney

Public Advocates Office
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102
Telephone: (415) 696-7273
E-mail: Layla.Labagh@cpuc.ca.gov

[34] Cal Advocates made similar arguments in its Comments on the Large IOUs 2022 WMP Update Submissions. *Cal Advocates Comments on General Issues in the 2022 WMP Updates of the Large IOUs*, p. 22.

Appendix A

The following tables are intended to illustrate how activities can be defined and categorized in helpful or unhelpful ways. A logical mapping across proceedings allows regulators and stakeholders to track utility activities, performance targets, cost forecasts, and actual spending over time. These tables are intended purely for illustrative purposes.

Example 1: Logical mapping between proceedings

GRC program definitions		WMP initiative definitions		
Asset Inspections – Distribution	Compliance	Patrol	Compliance	Asset Inspections – Distribution
	Enhanced	Detailed ground	Enhanced	
		Aerial		
Asset Inspections – Transmission	Compliance	Patrol	Compliance	Asset Inspections – Transmission
	Enhanced	Detailed ground	Enhanced	
		Climbing		
		Aerial		

Example 2: Poor mapping between proceedings

GRC program definitions		WMP initiative definitions			
Asset Inspections – Compliance	Distribution	Asset Inspections – Distribution		Asset Inspections – Transmission	
	Transmission	Compliance	Enhanced	Compliance	Enhanced
Asset Inspections – Enhanced	Distribution	Patrol	• Detailed ground • Aerial	Patrol	• Detailed ground • Climbing • Aerial
	Transmission				