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SUBJECT: 2021 Wildfire Mitigation Plan Independent Evaluator Annual
Report on Compliance

Director Thomas Jacobs,

Southern California Edison Company (SCE) is providing its response to the Final Independent Evaluator (IE) Annual Report on Compliance (IE Report) with SCE's 2021 Wildfire Mitigation Plan prepared by NV5/Guidehouse.

INTRODUCTION

SCE appreciates the opportunity to provide its response to the IE Report. SCE recognizes the effort required of the NV5/Guidehouse team to conduct this extensive review within the allotted timeframe and the level of collaboration achieved to complete it on time.

Overall, the IE determined that "SCE is substantially compliant with its WMP" and that "Except as otherwise noted, SCE is implementing its WMP initiatives as described in its WMP"¹. Regarding the review of costs incurred to implement SCE's 2021 WMP, the IE "feels confident through its review ... that costs for each initiative are being tracked appropriately."² The IE additionally determined that "SCE is performing the QA/QC work as described in the WMP and associated documents...[and] has a robust QA/QC program that should continue to ensure SCE's wildfire mitigation activities are effectively performed"³.

The following sections address: (1) SCE's response to specific findings; and (2) suggestions for improvements to the IE review process.

¹ IE Report, p. 79

² IE Report, p. 75.

³ IE Report, p. 78.

(1) SCE RESPONSE TO IE FINDINGS

The following section addresses the IE’s findings from Table 1: SCE 2021 WMP Execution – Findings (SA-4, SH-5, WMP Initiative Targets Not Met, and WMP Initiatives Underfunded), the Verification of QA/QC Programs, and Appendix B: Insufficient Field Inspection Findings Reports.

Response to SA-4 Initiative Target Not Met:

Regarding WMP Activity SA-4, the IE found that “Based on the WMP goal and supporting evidence, the IE has reasonable assurance SCE has made progress toward the 2021 goal of developing a methodology and strategy to test FireCast/FireSim implementation into PSPS decision making by Q3. However, the IE is unable to obtain reasonable assurance SCE has met the 2021 qualitative goal as the written methodology and evidence of testing FireCast/FireSim implementation must remain confidential.”⁴

As mentioned in SCE’s response to the IE Data Request 2, Question 8, SCE provided the purchase order with Technosylva as evidence of completion but did not have Technosylva’s permission to share the results of the PSPS Asset Risk Analysis during the IE Review. SCE has since received approval to present the evidence through an oral presentation from both Technosylva and the SCE Fire Science team.

Response to SH-5 Initiative Target Not Met:

Regarding WMP Activity SH-5, the IE found: “Based on the WMP goal and supporting evidence, the IE has reasonable assurance SCE made progress but did not meet the quantifiable target set out in **06_IE01-SCE-2021 Initial Q.06 Answer** of developing a corrective action plan and installing 18 automation equipment devices. The IE is reasonably assured that SCE installed 17 automation equipment devices during 2021 and that the 18th device was installed in 2022.”⁵

In the 2021 WMP filing, SCE did not specify a quantifiable target of installing 18 automation equipment devices for SH-5.⁶ The original target was to develop “appropriate project plans”. In its revised WMP submittal, SCE updated the target to reflect that “based on SH-7 analysis, SCE is proceeding with preliminary scope per the Corrective Action Plan”.⁷ Again, SCE did not set a target of installing 18 automation equipment devices. SCE assessed the preliminary scope and began working on that preliminary scope, meeting both the original and revised targets. SCE installed a total of 18 automated equipment devices, of which 17 were installed and automation enabled in 2021 and 1 was installed in 2021 but automation was not enabled until January 2022.

⁴ IE Report, p. 55.

⁵ IE Report, p. 39.

⁶ SCE 2021 Wildfire Mitigation Plan Update, Table 5.3-1.

⁷ SCE 2021 Wildfire Mitigation Plan Update (Revision), Table 5.3-1 - SCE has recently discovered that it inadvertently used the original target in its quarterly notifications and ARC. Neither target, however, is quantitative, and neither is substantially different, and SCE met both. Original Target: N/A – If RARs/RCSs are determined to be necessary based on the SH-7 analysis, SCE will develop appropriate project plans. Target in Update Revision: Based on SH-7 analysis, SCE is proceeding with preliminary scope per the Corrective Action Plan.

In sum, there was no WMP target to install 18 automation equipment devices and thus the IE’s finding should be revised accordingly.

Response to Other WMP Initiative Targets Not Met

The IE identified the six WMP targets that were not completed in 2021, which is consistent with what SCE had previously reported in its 2021 WMP Annual Report on Compliance. The table below provides the status of the six 2021 WMP activities that did not meet their year-end targets in 2021.

ID	WMP Activity	Status
SA-8	Fire Science Enhancements	Not met in 2021 due to vendor resource constraints. The remaining 2021 WMP scope (creation of tools to provide quantification on the historical significance of forecasted weather parameters) was incorporated into the 2022 SA-8 WMP scope.
SH-15	Vertical Switches	Not met in 2021 due to reprioritization of crews for storm support. The remaining 2021 WMP scope (installation of four vertical switches) were completed in Q1 2022.
IN-8	Inspection and Maintenance Tools	Not met in 2021 due to offline syncing issues along with data volume constraints. The remaining 2021 WMP scope was incorporated into the 2022 IN-8 WMP scope.
VM-2	Expanded Pole Brushing	Not met in 2021 due to lack of crews, no access to poles, and environmental delays. The remaining 2021 WMP scope was reprioritized along with all other existing poles for 2022, pole brushing scope development based on the updated risk prioritization methodology that has been applied to the expanded pole brushing mitigation activity.
VM-6	VM Work Management Tool	Not met in 2021 due to mobile product data volume limitations during the pilot. The remaining 2021 WMP scope (Hazard Tree Management Program [HTP] and Dead and Dying Tree Removal tool implementations) was incorporated into the 2022 VM-6 WMP scope and completed in June 2022.
PSPS-2	Customer Care Programs	PSPS-2b Resiliency Zones: Not met in 2021 due to lack of customer interest (i.e., resiliency zones). This WMP activity was not continued in 2022. SCE will continue to support the customer agreements signed as part of the pilot (8 total agreements signed between 2020 and 2021).

		<p>PSPS-2d Microgrid Islanding: Not met in 2021 due to global supply chain constraints impacting the school (i.e., the customer) for the microgrid site. The remaining 2021 WMP scope (installation of microgrid equipment) is uncertain at this time due to ongoing delays attributable to circumstances beyond SCE's control. The school's contracts team that managed this project's contracts retired and a new team conducted an audit of all energy efficiency and resiliency contracts. The audit findings resulted in new contract negotiations with the developer. This pilot activity is not tracked as a 2022 WMP activity but continues to be tracked in our PSPS Action plan.</p>
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Response to WMP Initiatives Underfunded:

The IE Report identified several activities in which total incurred costs were less than the levels originally forecast in our 2021 WMP, which we filed on February 5, 2021. In its 2021 WMP Annual Report on Compliance, SCE provided explanations detailing the circumstances that led to these variances in Table B. The IE Report uses the terminology “underfunded amount” to identify recorded costs that are less than the original forecast amounts. The term “underfunded” suggests that SCE did not provide sufficient funding for an initiative and did not complete the targeted scope. However, in many instances SCE spent less than what was originally forecast because SCE expended funds efficiently.

For most of our WMP initiatives, SCE achieved the performance targets established in the WMP. In instances where SCE did not fully meet an initiative’s WMP target, this was not driven by an “underfunding” of those initiatives. Though SCE allocated funding to each initiative as indicated in our WMP, other factors affected performance throughout the year as described in the table above.

As indicated on pages 62 – 73 of the IE’s report, there are several reasons why an initiative would record lower costs than forecast. For example, SCE was able to bundle Distribution remediation work with other programmatic work – such as covered conductor – which created operational efficiencies. Additionally, lower than anticipated find rates from inspections resulted in lower than forecast remediation work and lower than forecast remediation costs SCE notes that the financial performance of several wildfire initiatives in 2021 may not be indicative of what we will experience in 2022 and beyond, particularly if external factors (e.g., inflation) impact the costs to implement these initiatives.

SCE’s primary objective in implementing its approved 2021 WMP was to reduce wildfire and PSPS risks efficiently and effectively. The performance of our 2021 WMP initiatives reflects that. It would not be a prudent spend limited financial and human resources just

to reach a forecast amount when those limited resources could be used more efficiently in other ways, even more so after the target scope was completed.

Response to Verification of QA/QC Programs:

While the IE found that “SCE is performing the QA/QC work as described in the WMP and associated documents...[and] has a robust QA/QC program that should continue to ensure SCE’s wildfire mitigation activities are effectively performed”, the IE noted that “the dual nature of the QA/QC programs run separately under inspections and vegetation management do not allow for common oversight, sharing of lessons learned, and optimization ... Therefore, the IE recommends SCE consider identifying responsible role/group to oversee all QA/QC activities and implement lessons learned”.⁸

SCE understands and appreciates the recommendation and will continue to share best practices across the QA/QC groups as well as consider the potential consolidation of the inspections and vegetation quality functions. Due to the technical requirements of the Vegetation quality functions the program was established within the Vegetation group, with the intent to transition to the Quality organization once mature and stabilized. SCE will evaluate the potential and timing for consolidation of the inspections and vegetation quality functions in Q4 of 2022.

Response to Appendix B: Insufficient Field Inspection Findings Reports:

The IE’s field verification efforts resulted in nine findings, all of which pertain to pole brushing work. In SCE’s response to Data Request 1, Question 6, SCE classified Pole Brushing as “Large volume (≥ 100 units) + quantifiable goal/target + **non field verifiable**” (emphasis added).

The IE nevertheless performed field inspections of pole brushing. Pole Brushing is only field verifiable immediately after brushing has occurred as vegetation may grow into the clearance distance by the time of the field inspection more than five months later. Based on the dates of when the poles identified by the IE were brushed in 2021, vegetation around the poles had anywhere between five and 14 months to grow back prior to the IE’s inspection, thus resulting in some minor regrowth.

For example, Pole ID 1661091E was brushed on March 15, 2021. When the IE inspected the pole on May 18, 2022, it had been over 14 months since the brush was previously cleared.

⁸ IE Report, p. 78.

Pole ID 1661091E



SCE Photograph 3/15/21

The IE acknowledged that its “field inspection is not reflective of what it looked like when the work was performed by SCE” and further acknowledged “that these poles were likely cleared as reported and the vegetation found was a result of re-growth or new growth since the original clearing and likely these have not yet been brushed for the current year”.⁹ Thus, the IE’s field verification assessment of this activity should be based on its desktop review.

Regarding the specific structures called out in the report:

- Three of nine poles are not located in the State Responsibility Area (SRA) where Public Resources Code (PRC) 4292 requires maintenance of a fire break throughout fire season (1661731E, “13124A” which is 792311E, and 4709347E); therefore, these poles will be revisited in accordance with prioritization established for SCE’s expanded pole brushing mitigation activity
- Of the poles in SRA, one was brushed on June 18, 2022 to bare dirt (1661091E), and one is acceptable given it resides within an irrigated orchard (4441818E)
- SCE will send crews to revisit and clear the remaining poles by August 31, 2022 in accordance with PRC4292 requirements (1843594E, “441449E” which is 4914494E, “215084E” which is 2150584E, and 4465636E)

As explained in its 2021 WMP, SCE’s expanded pole brushing program includes a 10’ radius for clearance (when attainable) for distribution poles in high fire risk areas.¹⁰

⁹ IE Report, pp. 25-26.

¹⁰ SCE 2021 Wildfire Mitigation Plan Update, p. 264.

However, minor regrowth falls within compliance requirements and is not expected to materially increase wildfire risks. In some instances, SCE allows exceptions for landscaping planted by homeowners if the vegetation is irrigated.

(2) SUGGESTIONS FOR IMPROVEMENTS TO THE IE PROCESS

Electrical Corporations should have an opportunity to review the draft findings and draft report to identify errors

To help ensure the final IE report is accurate and potential findings can be clarified prior to issuance, the electrical corporations should have an opportunity to review the IE's draft findings and draft report. The electrical corporations' review of the draft findings and draft report does not diminish the IE's independence, since the IE ultimately decides which comments to incorporate in their final report. The electrical corporations' review of their draft IE reports can be conducted simultaneously with Energy Safety's review. All Parties' best interests are served by having a final IE report that is complete and accurate and does not require additional follow-up or correction by Energy Safety.

CONCLUSION

SCE appreciates the opportunity to submit this response to the IE Report prepared by NV5. SCE is confident that if it had the opportunity to review the draft report and findings, the IE would have been able to resolve several of the findings and verify SCE met or exceeded all its 2021 WMP activity targets, except for the activities where SCE stated in its 2021 Annual Report on Compliance that it did not meet 100% completion of its targets. SCE looks forward to working with Energy Safety and other Parties to help improve the IE Review process going forward. Please direct any questions or requests for additional information to Liz Leano (Elizabeth.Leano@sce.com) and Johnny Parker (Johnny.Parker@sce.com).

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