Michael Backstrom
Vice President
Regulatory Affairs

SOUTHERN CALIFORNIA
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September 14, 2022

E-filed to Energy Safety Docket #2022-SCs

Caroline Thomas Jacobs, Director
Office of Energy Infrastructure Safety
California Natural Resources Agency
715 P Street 20th Floor
Sacramento, CA 95814

SUBJECT: Southern California Edison Company's 2022 Safety Certification Request

Dear Director Thomas Jacobs:

Pursuant to California Public Utilities Code Section[1] 8389(e) and (f), Southern California Edison Company (SCE) submits this 2022 Safety Certification request and supporting documentation. SCE's 2021 safety certification was granted on December 10, 2021 and, pursuant to Section 8389(f)(4), will remain in effect until the Office of Energy Infrastructure Safety (Energy Safety) acts on this request.

Below, SCE provides each of the safety certification requirements set forth in Section 8389(e) and consistent with the 2022 Safety Certification Guidelines issued by Energy Safety on August 25, 2022 (Guidance):[2]

1. **Section 8389(e)(1) – The electrical corporation has an approved wildfire mitigation plan.**

   Energy Safety Guidance: In its 2022 Safety Certification submission, an electrical corporation must document the date of its approved WMP. An electrical corporation is ineligible for a Safety Certification if it received a denial of its most recently submitted WMP or WMP Update.[3]

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[1] Unless otherwise stated, all references to "Section" herein refer to the California Public Utilities Code.
[2] Office of Energy Infrastructure Safety's Safety Certification Guidelines (hereinafter "Guidance"), August 2022, *available at* 2022 Safety Certification Guidelines.
[3] Guidance, p. 4.

SCE submitted a comprehensive Wildfire Mitigation Plan (WMP)[4] on February 7, 2020 in accordance with the requirements of Section 8386. The plan, which covered years 2020-2022, was approved on June 11, 2020.[5]

On February 5, 2021, SCE submitted its 2021 WMP Update for years 2021 and 2022 and subsequently submitted a revised 2021 WMP Update on June 3, 2021.[6] SCE received approval of its 2021 WMP Update on August 19, 2021.[7]

SCE submitted its 2022 Wildfire Mitigation Plan Update (WMP Update)[8] on February 18, 2022. SCE's WMP Update was approved by Energy Safety on July 20, 2022.

On August 25, 2022, the CPUC ratified Energy Safety's Action Statement approving SCE's 2022 WMP Update.[9] Therefore, SCE has an approved wildfire mitigation plan and meets this requirement.

2. **Section 8389(e)(2) - The electrical corporation is in good standing, which can be satisfied by the electrical corporation having agreed to implement the findings of its most recent safety culture assessment performed pursuant to Sections 8386.2 and 8389(d)(4), if applicable.**

   Energy Safety Guidance: In its 2022 Safety Certification submission, an electrical corporation must document its agreement to implement the findings of its most recent safety culture assessment.[10]

The Guidance describes the safety culture assessment (SCA) process initiated by Energy Safety:

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[4] SCE's 2020-2022 Wildfire Mitigation Plan (WMP), *available at* https://www.sce.com/safety/wild-fire-mitigation

[5] CPUC WMP approval statement, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M340/K129/340129782.PDF

[6] SCE 2021 Wildfire Mitigation Plan Update (February 5, 2021), *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2021/SCE%202021%20WMP%20Update.pdf. SCE submitted an Update Supplemental Filing on February 26, 2021, *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2021/2021%20Wildfire%20Mitigation%20Plan%20Update%20Supplemental%20Filing%20Corrected.pdf. SCE also submitted the 2021 Wildfire Mitigation Plan Update (Revision) (May 4, 2021), *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2021/SCE%202021%20WMP%20Update%20Revision%20-%20CLEAN.pdf

[7] Resolution WSD-020 Ratifying Action on SCE 2021 Wildfire Mitigation Plan Update, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M401/K554/401554064.PDF.

[8] SCE 2022 Wildfire Mitigation Plan Update (February 18, 2022), *available at* https://www.sce.com/sites/default/files/custom-files/SCE%202022%20WMP%20Update.pdf

[9] Resolution SPD-2 Ratifying Action of the OEIS on SCE's 2022 Wildfire Mitigation Plan Update, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M496/K524/496524394.pdf.

[10] Guidance, p. 4.

The annual safety culture assessment conducted by Energy Safety is based on a framework adopted by the California Public Utilities Commission (CPUC) on November 19, 2020, in Resolution WSD-011, and an update to this framework adopted by the CPUC in Resolution M-4860 on December 2, 2021. An electrical corporation can satisfy the "good standing" requirement by agreeing to implement all the findings (including recommendations for improvement) of its most recent safety culture assessment performed pursuant to Public Utilities Code sections 8389(d)(4) and 8386.2, if applicable.[11]

SCE's most recent safety culture assessment was conducted by DEKRA Services, Inc. (DEKRA), an independent consultant retained by Energy Safety, in 2021.[12]

On August 24, 2021, Energy Safety published a draft report of its findings and recommendations based on an evaluation of SCE's safety culture assessment. Energy Safety issued a revised and final 2021 SCA report (SCA report) attaching SCE's comments to the draft report on September 2, 2021.[13] The recommendations by Energy Safety on SCE's 2021 safety culture assessment and SCE's response to these recommendations are described below.

As noted in the most recent SCA report, Energy Safety found that SCE has been "actively and directly focused on improving its culture for wildfire and personal safety"[14] and "frontline employees feel empowered to work safely."[15] The SCA report also noted areas for suggested improvement. To drive consistent improvements in SCE's safety culture, the SCA report makes four recommendations:[16]

1. Update current safety leader activities to address issues noted by the workforce concerning wildfire communications, roles, and decisions.
2. Use Safety Culture Pulse Surveys to evaluate progress of supervisors in engaging frontline workers on wildfire hazards and providing clear communication about wildfire-related procedures.
3. Embed learning organization concepts into the culture via training, incident investigations and corrective action systems.
4. Recognize and take action to mitigate the serious exposure posed by interactions with certain discontented members of the public.

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[11] Guidance, p. 2.
[12] The current safety culture assessment, conducted by the National Safety Council (NSC), has not yet concluded and thus no findings and recommendations related to NSC's process have been produced as of the date of this filing.
[13] 2021 Safety Culture Assessment Report for SCE, *available at* https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=51714&shareable=true
[14] SCA Report, p. 10.
[15] *Id.*, p. 11.
[16] *Id.*, pp. 1-2.

SCE agreed to implement all of the findings and recommendations for improvement in the SCA report in its Acceptance of the SCA report submitted on September 9, 2021 thereby meeting this requirement.[17] SCE hereby reiterates that commitment for purposes of this safety certification request. SCE is actively implementing these recommendations and provided updates on its progress in its Quarterly Notification letters[18] and at the August 30, 2022 SCA Public Workshop.

3. **Section 8389(e)(3) - The electrical corporation has established a safety committee of its board of directors composed of members with relevant safety experience.**

   Energy Safety Guidance: Public Utilities Code section 8389(e)(3) requires that the electrical corporation's board of directors must have a safety committee comprised of members with appropriate and relevant experience. To ensure that this requirement is satisfied, electrical corporations must include the following [four elements] in 2022 Safety Certification requests:

   1) Resumes for each safety committee members that clearly indicate the member's relevant experience[19]

SCE has established a safety committee and each of its members has relevant experience. SCE provides information about each safety committee member's relevant experience in Appendix A.

   2) A description of how the safety committee functions within the company's governance structure and its role with respect to company decision-making and accountability[20]

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[17] *See* Southern California Edison Company's Agreement to Implement the Findings (Including Recommendations) of the 2021 Safety Culture Assessment Report, filed September 9, 2021, *available at* https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=51726&shareable=true.

[18] *See* Southern California Edison Company's Quarterly Notification Pursuant to Public Utilities Code Section 8389(e)(7) Regarding the Implementation of Its Approved Wildfire Mitigation Plan and Its Safety Culture Assessment and Safety Recommendations, filed February 1, 2022 (Q4 2021 QNL), *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2021/SCE%20Q4%202021%20Quarterly%20Notification.pdf; Southern California Edison Company's Quarterly Notification Pursuant to Public Utilities Code Section 8389(e)(7) Regarding the Implementation of Its Approved Wildfire Mitigation Plan and Its Safety Culture Assessment and Safety Recommendations, filed May 1, 2022 (Q1 2022 QNL), *available at* https://www.sce.com/sites/default/files/AEM/Data%20Requests/2022/SCE%20Q1%202022%20Quarterly%20Notification%20with%20Attachment.pdf and Southern California Edison Company's Quarterly Notification Pursuant to Public Utilities Code Section 8389(e)(7) Regarding the Implementation of Its Approved Wildfire Mitigation Plan and Its Safety Culture Assessment and Safety Recommendations, filed August 1, 2022 (Q2 2022 QNL), *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2022/SCE%20Q2%202022%20Quarterly%20Notification%20with%20Attachment.pdf.

[19] Guidance, p. 5.

[20] *Id.*

SCE's entire Board of Directors is committed to the safety of SCE's workers, its customers, and the community. The Board provides oversight for all aspects of SCE's business, including safety, and various committees of the Board have responsibility for oversight of specific areas. The Safety and Operations Committee of the Board of Directors (Committee) is responsible for oversight of the Company's safety performance, culture, goals, risks, and significant safety-related incidents involving employees, contractors, or members of the public. This oversight includes measures and resources used to prevent, mitigate, or respond to safety-related incidents. The Committee's oversight responsibilities also include SCE's operational practices, resources, risks mitigation plans related to wildfires and emergency response. These duties are outlined in the Committee's charter, which is available on SCE's website at https://library.sce.com/content/dam/sce-doclib/documents/aboutus/SCE_SOCharter.pdf. The Committee regularly makes recommendations to management to follow up on specific actions, respond to questions, or address requested topics, as described further in Item 4 below.

The Committee meets at least five times per year and receives reports from SCE management that include safety performance metrics, information on serious injuries and fatalities (no fatalities for over a year), and actions to improve worker and public safety. The Chair of the Committee then reports to the entire Board at its next meeting, which is typically held the day after the Committee meeting.

3) A report on significant topics covered by the safety committee since issuance of the last Safety Certification[21]

Significant topics covered by the Committee on wildfire and safety issues include: Wildfire Safety, Worker Safety, and Public Safety, among other topics. In addition to Committee meetings, the Committee Chair meets regularly with SCE management to discuss wildfire and worker safety issues. Additional information about each of the topics discussed at the Committee meetings may be found in SCE's quarterly submissions, specifically the Q4 2021 Quarterly Notification Letter filed with Energy Safety on February 1, 2022, SCE's Q1 2022 Quarterly Notification Letter filed on May 1, 2022, and SCE's Q2 2022 Quarterly Notification Letter filed on August 1, 2022.[22] Per Section 8389(e)(7),[23] the Quarterly Notification Letter replaces the Quarterly Advice Letter filed with the CPUC. SCE's Q3 2021 Quarterly Notification Letter will be submitted on October 31, 2022.

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[21] Guidance, p. 5.

[22] *See* SCE's Q4 2021 Quarterly Notification Letter (QNL), Q1 2022 QNL and Q2 2022 QNL.

[23] Section 8389(e)(7) states, in part, that "[t]he electrical corporation shall file a notification of implementation of its wildfire mitigation plan with the office and an information-only submittal with the commission on a quarterly basis that details the implementation of both its approved wildfire mitigation plan and recommendations of the most recent safety culture assessments by the commission and office, and a statement of the recommendations of the board of directors safety committee meetings that occurred during the quarter. The notification and information-only submittal shall also summarize the implementation of the safety committee recommendations from the electrical corporation's previous notification and submission."

4) A description of any actions recommended by the safety committee that were implemented by the electrical corporation since issuance of the last Safety Certification[24]

SCE has included in its Quarterly Notification Letters the descriptions of the recommended actions from its Committee. These quarterly updates also describe how SCE has implemented or is working to implement these recommendations. Additional information about the Committee's recommended actions since the issuance of the last Safety Certification that were implemented by SCE may be found in SCE's Q4 2021 Quarterly Notification Letter filed with Energy Safety on February 1, 2022, SCE's Q1 2022 Quarterly Notification Letter filed on May 1, 2022, and SCE's Q2 2022 Quarterly Notification Letter filed on August 1, 2022.[25]

4. **Section 8389(e)(4) - The electrical corporation has established an executive incentive compensation structure approved by the division and structured to promote safety as a priority and to ensure public safety and utility financial stability with performance metrics, that are measurable and enforceable, for all executive officers, as defined in Section 451.5.**

   Energy Safety Guidance: In their Safety Certification requests, electrical corporations must cite to Energy Safety's disposition of executive compensation plans.[26]

SCE's executive compensation structure meets the requirements of Section 8389(e)(4). SCE provided details of that structure, including its final 2022 annual incentive goals and metrics as approved by the SCE Board of Director's independent Compensation and Executive Personnel Committee (Compensation Committee) in its March 14, 2022 submission to Energy Safety.[27]

On July 28, 2022, Energy Safety issued a letter of approval of SCE's 2022 executive compensation structure.[28] Energy Safety's letter specified that "SCE's Executive Compensation Structure satisfies the requirements of Public Utilities Code section 8389(e)(4) and was

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[24] Guidance, p. 5.

[25] *See* SCE's Q4 2021 QNL, Q1 2022 QNL and Q2 2022 QNL.

[26] Guidance, p. 5.

[27] 2022 Executive Compensation Submission of Southern California Edison Pursuant to Assembly Bill 1054, filed March 14, 2022, *available at* https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52169&shareable=true.

[28] Office of Energy Infrastructure Safety Approval of Southern California Edison Company's 2022 Executive Compensation Structure Pursuant to Public Utilities Code Section 8389(e)(4) and 2022 Executive Compensation Structure Submission Guidelines (2022 Executive Compensation Approval), *available at* https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52813&shareable=true.

submitted in accordance with the 2022 Executive Compensation Structure Submission Guidelines (2022 Guidelines)"[29]

5. **Section 8389(e)(5) - The electrical corporation has established board-of-director-level reporting to the commission on safety issues.**

   Energy Safety Guidance: For each electrical corporation, a board member, along with the chief safety/risk officer (or equivalent), should brief the CPUC and Energy Safety on safety performance. Details regarding the public meeting, including an agenda of topics to be covered, will be noticed in accordance with open meeting laws. Electrical corporations must provide any materials used or referenced in the public meeting in their Safety Certification requests to demonstrate that the electrical corporation has met this requirement.[30]

On September 14, 2022, SCE's Chair of the Safety and Operations Committee of the Board of Directors, Timothy O'Toole, along with Executive Vice President of Operations, Jill Anderson, Vice President of Enterprise Risk Management & Insurance and General Auditor, David Heller, and Vice President of Safety, Security and Business Resiliency, Andrew Martinez, provided a briefing to the Commission and Energy Safety on SCE's safety performance. The presentation materials used in the public meeting are attached as Appendix B.

6. **Section 8389(e)(6)(A) - The electrical corporation has established a compensation structure for any new or amended contracts for executive officers, as defined in Section 451.5, that is based on the following principles:**
   (i)   **(I) Strict limits on guaranteed cash compensation, with the primary portion of the executive officers' compensation based on achievement of objective performance metrics.**
         (II) No guaranteed monetary incentives in the compensation structure
   (ii) **It satisfies the compensation principles identified in paragraph (4).**
   (iii) **A long-term structure that provides a significant portion of compensation, which may take the form of grants of the electrical corporation's stock, based on the electrical corporation's long-term performance and value. This compensation shall be held or deferred for a period of at least three years.**
   (iv) **Minimization or elimination of indirect or ancillary compensation that is not aligned with shareholder and taxpayer interest in the electrical corporation.**

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[29] 2022 Executive Compensation Approval, p. 1.
[30] Guidance, p. 3.

> **Energy Safety Guidance: In their Safety Certification requests, electrical corporations must cite to Energy Safety's disposition of executive compensation plans.[31]**

As discussed in SCE's March 14, 2022 submission to Energy Safety, SCE advises its executive officers, and they agree, that it may modify their compensation at any time in SCE's discretion. As a result, SCE has not established a compensation structure for which it has made a contractual commitment for executive officers. Therefore, the requirements of Section 8389(e)(6)(A) do not apply to SCE's executive officers.

Even though the requirements of Section 8389(e)(6)(A) do not apply, SCE's 2022 executive compensation structure satisfies the principles set forth in Sections 8389(e)(6)(A)(i), (ii), (iii), and (iv). Energy Safety's July 28, 2022 approval of SCE's 2022 executive compensation structure noted appreciation for the additional transparency that SCE provided in its submittal related to Section 8389(e)(6).[32]

7. **Section 8389(e)(7) - The electrical corporation is implementing its approved wildfire mitigation plan. The electrical corporation shall file a tier 1 advice letter 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 the recommendations of the board of directors safety committee meetings that occurred during the quarter. The advice letter shall also summarize the implementation of the safety committee recommendations from the electrical corporation's previous advice letter filing. If the division has reason to doubt the veracity of the statements contained in the advice letter filing, it shall perform an audit of the issue of concern.**

   Energy Safety Guidance: To meet the requirements of section 8389(e)(7), the electrical corporation must demonstrate meaningful progress in implementing its WMP and the recommendations of its CPUC and Energy Safety safety culture assessments. Safety Certification requests should highlight the progress made toward completing WMP targets and explain any delayed or off-track efforts. Requests should also demonstrate progress in implementing the findings of its most recent safety culture assessment.[33]

In 2022, SCE continues to make meaningful progress towards the 39 wildfire-related programs and activities that constitute its approved 2022 WMP Update, including in areas such as grid hardening, asset management and inspections, vegetation management, situational awareness,

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[31] *Id.*, p. 5.
[32] 2022 Executive Compensation Approval, p. 3, fn. 8.
[33] Guidance, p. 6.

and community engagement. SCE is substantially on track to complete 37 of 39 goals by year end. This reflects the status of all initiatives as of July 31, 2022, except for Legacy Facilities, which is based on information as of the time of this writing. Additionally, SCE reports out on ten key vegetation metrics each month. As of July 31, 2022, all vegetation metrics are projected to meet their year-end targets.

As of July 31, 2022, SCE is at risk of not meeting its year-end goal for PSPS Customer Care Programs. For PSPS Customer Care Programs, the number of customer enrollments for backup generation and rebates issued for power stations and portable generators is about 20% off track of our 2022 targets. SCE provides updates to Energy Safety staff during its bi-weekly meetings and in our quarterly reports; for these programs specifically, despite dedicated and significant customer outreach and marketing efforts, customer interest has waned significantly since 2021 participation which was the basis for the 2022 targets. SCE is making modifications to these programs such as increasing rebate amounts and removing the low-income requirements for critical care battery backups to encourage and increase customer participation.

For Legacy Facilities, SCE is facing delays in obtaining the environmental permits required to perform the work of completing site hardening at Generation facility sites. SCE is working to partner with the appropriate agencies to expedite the issuance of permits. SCE is striving to meet these goals in 2022, but does not expect wildfire or PSPS risk to increase materially in the event the goals are not met. SCE will continue provide status updates on these activities in our bi-weekly meetings and quarterly reports.

SCE's progress in implementing the findings and recommendations of its most recent safety culture assessment is described in SCE's Q4 2021 Quarterly Notification Letter filed with Energy Safety on February 1, 2022, SCE's Q1 2022 Quarterly Notification Letter filed on May 1, 2022, and SCE's Q2 2022 Quarterly Notification Letter filed on August 1, 2022.[34]

Quarterly notifications as required by Section 8389(e)(7)

SCE presented detailed information about how it has made meaningful progress towards meeting its 2022 WMP Update Program Targets for each of the 39 wildfire-related mitigation activities and programs in its quarterly notification letters. SCE timely submitted its Q4 2021 Quarterly Notification Letter filed with Energy Safety on February 1, 2022, its Q1 2022 Quarterly Notification Letter on May 1, 2022, and its Q2 2022 Quarterly Notification Letter on August 1, 2022.[35]

Conclusion

For the foregoing reasons, SCE requests prompt issuance of a safety certification as required by Section 8389. We appreciate the opportunity to continue working with Energy Safety on this

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[34] *See* SCE's Q4 2021 QNL, Q1 2022 QNL and Q2 2022 QNL.
[35] *Id.*

important topic and ask that you contact me or our Managing Director of State Regulatory Operations, Connor Flanigan, should you have any questions regarding this submission.

Sincerely,

/s/ Michael Backstrom

Michael Backstrom
Vice President
Regulatory Affairs

Attachments

cc: Rachel Peterson, CPUC Executive Director

Appendix A
2022 SCE Safety and
Operations Committee Member Resumes

Timothy O'Toole – Safety Biography

Timothy O'Toole, the Chair of the Safety and Operations Committee, has extensive safety experience and has been recognized as a safety leader both in the United States and internationally. He is currently a **member of the Board of Directors of the National Safety Council, a non-profit chartered by the United States Congress whose mission is to eliminate preventable deaths at work, in homes and communities and on the road through leadership, research, education and advocacy.** Mr. O'Toole has decades of direct management in the rail and bus transportation industry where worker and public safety is a paramount concern. He previously served as **managing director of the London Underground where he led the response to the 2005 terrorist bombing attacks** and for which he was awarded a Commander of the Most Excellent Order of the British Empire (CBE).

Mr. O'Toole's experience includes:

FirstGroup plc
- Chief Executive Officer and Chief Operating Officer (2010-2018)
- Deputy Chief Operating Officer (2010)

London Underground/London Transport Group
- Managing Director (2003-2009)

Consolidated Rail Corporation
- President and Chief Executive Officer (1998-2001)
- Senior Vice President, Law & Government Affairs (1997-1998)
- Senior Vice President, Finance and Chief Financial Officer (1996-1997)
- Vice President and Treasurer (1994-1996)
- Vice President and General Counsel (1989-1994)
- Corporate/Commercial Attorney and Assistant to the President (1980-1989)

His current and past Board service includes the following public company, private company and/or non-profit organizations:

- Cubic Corporation (2018-present)
- National Safety Council (2017-present)
- FirstGroup plc (2009-2018)
- CSX Corporation (2008-2017)
- Rail Delivery Group Ltd. (2011-2013)

Jeanne Beliveau-Dunn – Safety Biography

Jeanne Beliveau-Dunn, a former senior executive at Cisco, has more than 30 years of experience as a technology executive and is a transformational leader with experience in building and **managing large-scale infrastructure, cybersecurity, compute, cloud, networking, services and marketing operations, personnel management, and employee and leadership development.** During her career, she built effective networking, digital and security solutions, including strategies for Internet of Things (IoT) in smart cities and industrial and energy markets. **Her experience managing a large workforce, building network operations and security teams, and building infrastructure and efficiency through technology and process is valuable to the Board's and Safety and Operations Committee's oversight of cyber threats facing the Company**. She is also experienced in Environmental, Social and Governance (ESG) matters, compensation, financial review, acquisitions, and risk and resiliency management, and is a National Association of Corporate Directors fellow. As **a California resident**, Ms. Beliveau-Dunn also provides the perspective of a utility customer impacted by California's wildfires and regulatory environment.

Ms. Beliveau-Dunn's experience includes:

Claridad, LLC
- President (2018-present)

IoT Talent Consortium
- Founder and Special Advisor (2016-present)

Cisco Systems, Inc.
- Vice President and General Manager, Cisco Services (2007-2018)
- Senior Director, Product and Technology Marketing, Cisco Services (2001-2007)
- Senior Director, Internet Business Solutions (1998-2001)
- Director of Channels and Global Alliances (1996-1998)

Micronics Computers
- Vice President/General Manager (1990-1995)

Her current and past Board service includes the following public company, private company and/or non-profit organizations:

- ZEVx (2022-present)
- Crewdle (2022-present)
- Descartes Lab (2021-present)
- Sykes (2021)
- Columbus McKinnon Corp. (2020-present)
- Xylem, Inc. (2017 – present)
- New York Academy of Sciences Advisory Board (2014-2018)
- Arizona State University Advisory Board (2014-2018)
- Technical Services Industry Association Advisory Board (2014-2018)

Marcy Reed – Safety Biography

Marcy Reed, the former President of National Grid Massachusetts, provides extensive utility operations experience, and was **responsible for ensuring safe and reliable electricity and gas distribution services for over six million people throughout Massachusetts.** She also **had ultimate management responsibility for the health and safety of National Grid's more than 5,000 employees** in Massachusetts. During that time, National Grid received many awards from the Edison Electric Institute for safe operations during major weather events such as hurricanes and storms. She **chaired the National Grid Massachusetts Gas & Electric Operational Safety Committee**, including the oversight and inclusion of the Labor/Management Safety Committee discussions and results. She also **directed strategic energy policy development at National Grid USA,** supporting broad energy network investment and climate change mitigation initiatives, which is particularly relevant to SCE's strategy and operations in California's regulatory environment. Among the Massachusetts policy considerations in which she was involved, were the consideration of the safety of residential-based solutions, employee safety considerations of innovative gas solutions, battery storage safety, and other safety-related concerns. In addition to SCE's board of directors, Marcy **serves on the board of Clean Harbors where she is a member of the Environmental, Health, and Safety Committee**. With her deep knowledge of large infrastructure investments and large employee groups, she is a valuable contributor to safety-related discussions.

Ms. Reed's experience includes:

National Grid PLC
- President, National Grid Massachusetts and Executive Vice President, U.S. Policy and Social Impact (2011-2021)
- Senior Vice President, Corporate Affairs (2007-2010)
- Senior Vice President, Finance (2005-2007)
- Senior Vice President, Business Services (2004-2005)
- Head of Investor Relations (2001-2004)
- Other Finance- and Customer-related positions (1988-2001)

Coopers & Lybrand LLP
- Senior Auditor (1986-1988)

Her current and past Board service includes the following public company, private company and/or non-profit organizations:

- Clean Harbors, Inc. (2021-present)
- HomeWorks Energy, Inc. (2021-present)
- Qualus Power Services LLC (2021-present)
- National Grid Foundation (2019-present)
- Northeastern University (Trustee) (2017-present)
- Blue Cross Blue Shield of Massachusetts (2016-present)
- The Partnership, Inc. (2007-present)
- Greater Boston Chamber of Commerce (2014-2021)
- New England Council (2010-2021)

- Massachusetts Business Roundtable (2007-2021)
- British American Business Council (2008-2013)
- United Way of Central Massachusetts (2004-2016)

Carey Smith – Safety Biography

Carey Smith is the Chair, President and CEO of Parsons, an advanced technology company focused on the infrastructure, defense and intelligence markets. Parsons was headquartered in Southern California until 2019 and continues to have **significant** infrastructure **work throughout the state where approximately 10% of their workforce performs projects such as the Los Angeles International Airport (LAX) landside access modernization program.** Ms. Smith is responsible for Parsons' businesses across cybersecurity, missile defense, space, critical infrastructure protection, transportation, environmental remediation and water/wastewater treatment markets. Parsons was recognized in 2019 by the National Safety Council with the prestigious Robert W. Campbell award for business excellence through the integration of environment, health, and safety (EHS) management. Her strategic leadership role and understanding of the impact of California's regulatory landscape on SCE's business customers contribute to the Board's effective oversight of key issues confronting the electric utility industry. Ms. Smith's **operational experience in safety-intensive environments** provides an important perspective to the Board and its Safety and Operations Committee. She brings a strong background in cybersecurity through her aerospace and defense industry experience and is a certified cybersecurity governance professional by the National Association of Corporate Directors.

Ms. Smith's experience includes:

Parsons Corporation
- Chair, President and CEO (2022-present)
- President and Chief Executive Officer (2021-present)
- President and Chief Operating Officer (2019-2021)
- Chief Operating Officer (2018-2019)
- President, Federal Business Unit (2016-2018)
- Group President, Federal (2016-2016)

Honeywell Aerospace Inc.
- Division President, Defense & Space Strategic Business Unit (2015-2016)
- Vice President, Customer & Product Support (2015)
- President, Honeywell Technology Solutions Inc. (2011-2015)

Lockheed Martin Inc.
- Vice President, Technical Services (2007-2011)
- Vice President, Naval and Maritime Programs (2003-2007)
- Vice President, Business Development and Strategic Planning (1999-2003)
- President and Chief Executive Officer, Lockheed Martin Canada (1997-1999)
- Vice President and Director, Business Development and Strategic Planning, Lockheed Martin Loral (1995-1997)

IBM Corporation
- Senior Program and Engineering Manager, Loral/IBM Federal Systems (1993-1995)
- Business Development Manager, Systems Integration Federal Systems (1992-1993)
- Engineering Manager (1992)

- Systems Engineer (1985-1991)

Her current and past Board service includes the following public company, private company and/or non-profit organizations:

- Parsons Corporation (2016-present), serves as Chair
- Professional Services Council (2016-present), serves as Chair
- The Intelligence and National Security Alliance (2021-present)
- United States Geospatial Intelligence Foundation (2020-present)
- NN Inc. (2017-2019)

Keith Trent – Safety Biography

Keith Trent, a former senior executive at Duke Energy, provides extensive utility operations, strategic planning, legal and safety experience as an executive of one of the largest electric power companies in the U.S., where **he had direct management responsibility for the health and safety of a large workforce**. His utility operational experience in, and perspective on, regulation, risk management, safety and cybersecurity are particularly relevant to our business and the regulatory framework in which we operate. Mr. Trent is also on the Board of Capital Power Corporation, **where he serves as the chair of the Health, Safety and Environmental Committee.**

Mr. Trent's experience includes:

Duke Energy Corporation
- Executive Vice President, Grid Solutions and President, Midwest & Florida Regions (2015)
- Executive Vice President and Chief Operating Officer, Regulated Utilities (2013-2014)
- Group Executive & President, Commercial Businesses (2009-2012)
- Group Executive and Chief Strategy, Policy and Regulatory Officer (2006-2009)
- Group Vice President, General Counsel and Secretary (2005-2006)
- Lead Litigator (2002-2005)

Snell, Brannian & Trent
- Partner and Co-Founder (1991-2002)

Jackson Walker L.L.P.
- Attorney (1987-1991)

ARCO Oil & Gas Company
- Reservoir/Production Engineer (1982-1984)

His current and past Board service includes the following public company, private company and/or non-profit organizations:

- Brookstone Schools (2018-present)
- Capital Power Corp (2017-present)
- TRC Companies, LLC (2016-present)
- Forsite Development, Inc. (2016-2019)
- AWP, Inc. (Area Wide Protective) (2016-2020)
- Charlotte Chamber of Commerce (2014-2015)
- Electric Power Research Institute (2013-2015)
- Keystone Energy Board (2010-2015)

Appendix B
Presentation Materials for September 14, 2022 AB
1054 Board-Level Reporting on Safety Issues

CPUC/ENERGY SAFETY
PUBLIC MEETING ON SAFETY

Timothy O'Toole
Chair, SCE Safety and Operations Committee Board Director, SCE

Jill Anderson
Executive Vice President of Operations, SCE

David Heller
Chief Risk Officer, SCE; Vice President, Enterprise Risk Management & Insurance and General Auditor, SCE

Andrew Martinez
Chief Safety Officer, SCE; Vice President of Safety, Security, and Business Resiliency, SCE

September 14, 2022

SOUTHERN CALIFORNIA
EDISON®

SAFETY IS INTEGRATED INTO OUR BUSINESS THROUGH OUR VALUES AND MISSION

MISSION

To safely provide reliable, clean and affordable energy to our customers

VALUES

- **Safety**
- **Integrity**
- **Excellence**
- **Respect**
- **Continuous Improvement**
- **Teamwork**

RISK-INFORMED SAFETY FOCUS AREAS

Public Safety	• Reduce risk of significant wildfires • Maintain/replace assets to avoid hazardous failures • Create awareness of potential hazards
Worker Safety	• Help avoid serious injuries and fatalities through enhanced data analytics and safety programs • Better manage our contractors to improve safety, quality and compliance
Safety Culture	• Evolve safety culture maturity • Improve leader ownership and accountability

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

- **Audit and Finance Committee**
- **Compensation and Executive Personnel Committee**
- **Safety and Operations Committee (SOC)**
- **Nominating and Governance Committee**

Reporting of safety and operational issues

SCE LEADERSHIP
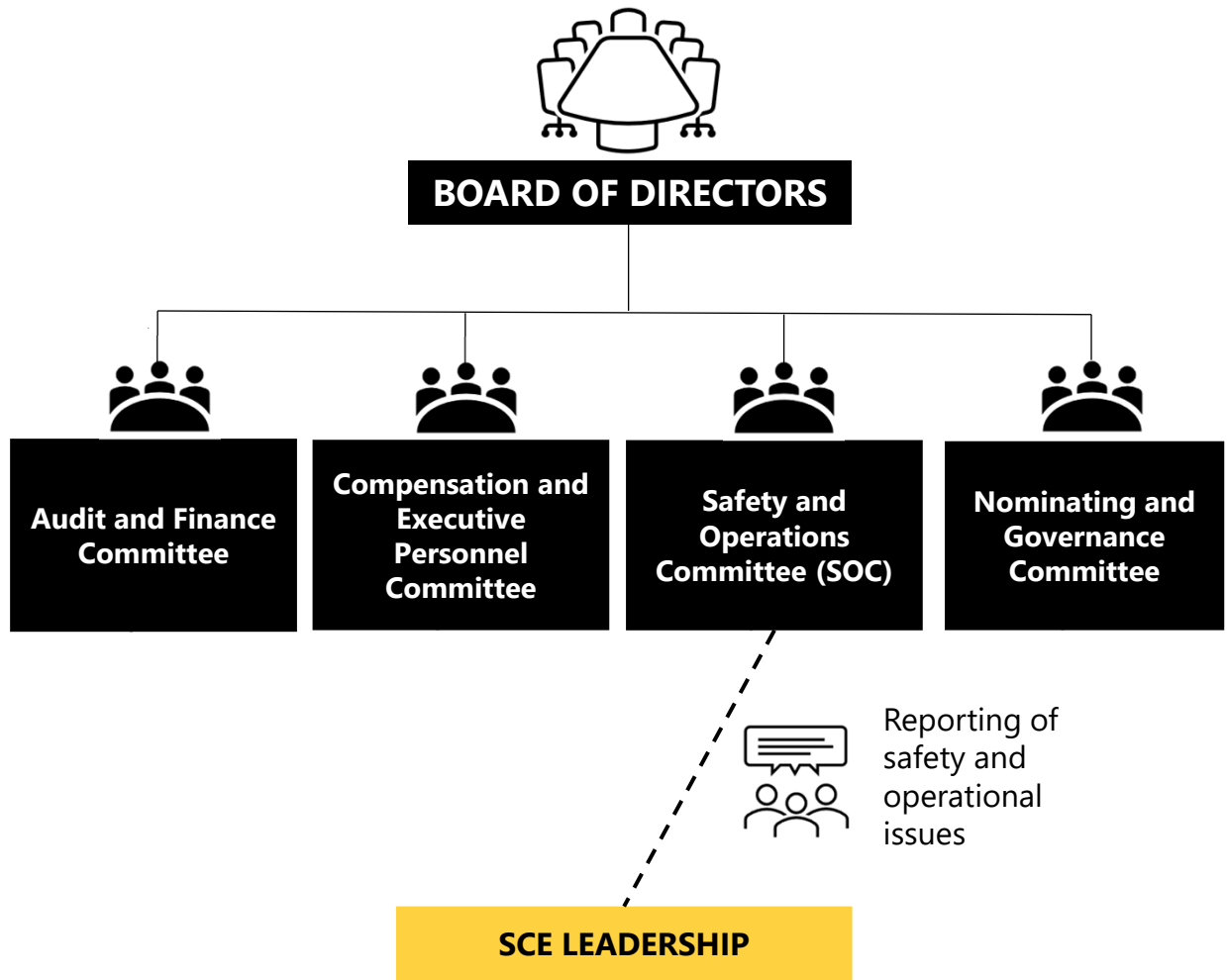
- Safety and Operations Committee (SOC) oversees SCE's safety performance, culture, operational goals, safety and operational risks, and significant safety-related incidents involving employees, contractors or members of the public

- SOC meets at least five times a year and receives regular reports from SCE Leadership on safety

- SOC provides input on operational goals to the Compensation and Executive Personnel Committee; works with Audit and Finance Committee on operational risk mitigations

- SOC Chair reports out to the full Board of Directors on key safety and operational updates at each Board meeting

ENTERPRISE RISK MANAGEMENT HELPS IDENTIFY ISSUES AND DRIVES IMPROVEMENTS IN PUBLIC SAFETY AND OTHER KEY RISKS

CLIMATE CHANGE

WILDFIRE / PSPS

CONTACT WITH ENERGIZED EQUIPMENT

UNDERGROUND EQUIPMENT FAILURE

SEISMIC

PHYSICAL SECURITY

CYBER ATTACK

HYDRO DAM FAILURE

EMPLOYEE SAFETY

CONTRACTOR SAFETY

- Enterprise Risk Management (ERM) systematically helps identify and drives mitigation of operational and other risks through a common risk management framework, tools, and taxonomy

- ERM maintains a risk register, including public safety risks, drivers of loss control, performs benchmarking, develops and communicates best practices, and utilizes quantitative risk assessments to assist leadership in its role to oversee management of the key risks of the company

CONTINUED FOCUS ON PUBLIC SAFETY RISK HAS PRODUCED POSITIVE RESULTS

Data-Driven, Quantitative Approaches Being Used to Improve Public Safety

- Five-step framework to identify and manage risk

Identify and Prioritize Risks	Evaluate Mitigation Options	Plan and Develop Metrics	Mitigate and Respond to Risks	Monitor Effectiveness

- Data analytics, risk modeling, root cause analysis, bow-tie, failure modes and effects analysis, and other tools employed to determine risk drivers, mitigation options, and risk-prioritized implementation strategies

  - E.g., our wildfire risk models, risk-based occupational safety and health program, PSPS frequency and impacts, underground equipment failure model, AB 1054 fund durability calculation, and targeted undergrounding model

- Enhancing and driving uniformity across risk analysis tools, methods, and techniques to drive consistent evaluation of outputs

Meaningful Projects Underway to Help Reduce Public Safety Incidents

Covered conductor program has reduced primary wire downs in HFRA over past two years	Developed egress model to help prioritize areas for targeted undergrounding	Using data analytics and modeling to identify and develop mitigations to reduce car-hit-pole incidents

NUMEROUS METRICS ARE USED BY MANAGEMENT AND THE BOARD TO EVALUATE SAFETY PERFORMANCE

Performance of Selected Metrics[1] Regularly Reviewed by SOC *(Not Exhaustive)*

Key Risk Area	Metric	2019	2020	2021	2022 YTD - Actual	2022 YTD - Target
Employee Safety	Employee Serious Injuries and Fatalities (SIF) Rate	0.05	0.12	0.06	0.11	0.07
Public Safety	Public SIF due to system failures	1	1	0	0	0
Wildfire	CPUC reportable ignitions in High Fire Risk Areas (HFRA)	38	50	48	26	27
Cybersecurity	Significant disruption, data breach, or system failure	0	0	0	0	0

Representative Metrics Regularly Reviewed by SCE Management and/or SOC *(Not Exhaustive)*

Public Safety
- Public SIF due to system failures
- Public SIFs reported to CPUC
- Wire down: Across SCE territory
- Underground equipment failures

Worker Safety
- Safety Observations (employee and contractor)
- Potential SIF incident

Wildfire
- Vegetation Line Clearing: % of trims on time
- Underground Equipment Failure: Explosion
- CPUC reportable ignitions in HFRA
- # of Ignitions Associated with SCE Equipment in HFRA
- # of Faults in HFRA[2]
- Wire down: HFRA
- Overhead Inspections: Complete ground and aerial HFRA inspection scope and remediations
- Reduce duration of customer PSPS outages
- Improve PSPS customer notifications

Cybersecurity
- No significant disruption, data breach, or system failure
- BitSight Score[2]
- Phishing simulation click and reporting rates
- Vulnerability Mean Time to Remediate[2]

[1] Performance as of July 31, 2022
[2] Indicates metric is reviewed by SCE management but not regularly reported to SOC

PROTECTING PUBLIC SAFETY BY REDUCING THE RISK OF SIGNIFICANT WILDFIRES AND REDUCING CUSTOMER IMPACTS

Wildfire mitigations have resulted in a ~65-70% reduction in the risk of experiencing significant wildfires[1]

- Grid Hardening
- Situational Awareness
- Risk Modeling
- Vegetation Management
- Inspections & Remediations
- Data Governance

- Emergency Preparedness
- New Technology
- PSPS
- Grid Operations & Protocols
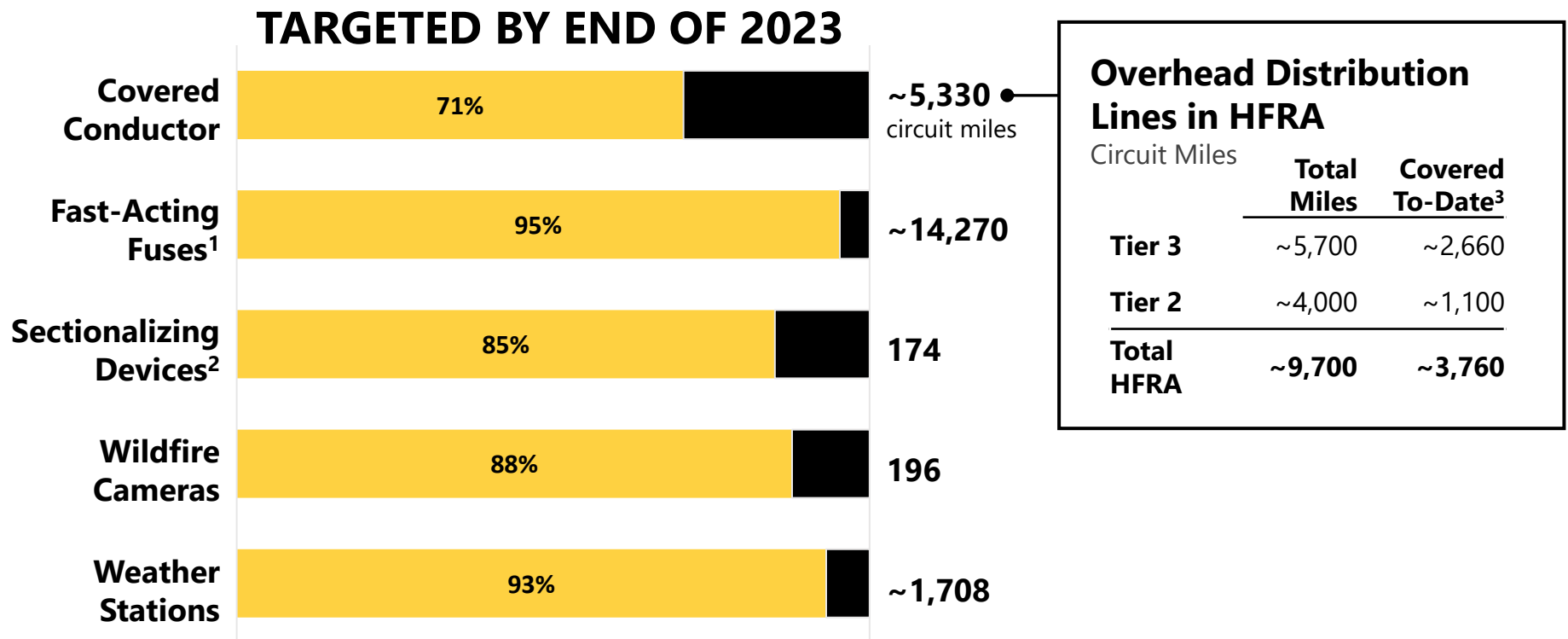- Customer Care Programs
- Community Partnerships

REDUCE RISK OF SIGNIFICANT WILDFIRES

REDUCE CUSTOMER IMPACTS

[1.] Based on model produced by Risk Management Solutions. Estimate is in comparison to 2018 risk, based on results through Q2 2022, and considers grid hardening, PSPS, vegetation management and inspections.

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SCE HAS MADE SUBSTANTIAL PROGRESS ON GRID HARDENING AND SITUATIONAL AWARENESS MEASURES

INVESTMENTS IN GRID HARDENING AND SITUATIONAL AWARENESS THROUGH 2023
Yellow shading represents completed measures through July 31, 2022, compared to the 2023 forecast in SCE's 2022 WMP Update

TARGETED BY END OF 2023

Measure	Completed	Target
Covered Conductor	71%	~5,330 circuit miles
Fast-Acting Fuses[1]	95%	~14,270
Sectionalizing Devices[2]	85%	174
Wildfire Cameras	88%	196
Weather Stations	93%	~1,708

Overhead Distribution Lines in HFRA
Circuit Miles

	Total Miles	Covered To-Date[3]
Tier 3	~5,700	~2,660
Tier 2	~4,000	~1,100
Total HFRA	~9,700	~3,760

[1] Includes new installation and replacement of existing fast-acting fuses
[2] Thousands of sectionalizing devices installed prior to 2018 before the wildfire mitigation program began
[3] About 200 circuit miles of covered conductor of storm restoration work was distributed evenly between the tiers

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SCE IS MAKING MEANINGFUL PROGRESS IN MITIGATING WILDFIRE RISK TO OUR CUSTOMERS

COVERED CONDUCTOR has reduced faults, which could lead to ignitions

⬇

67% FEWER faults on fully covered circuits

EXPANDED VEGETATION MANAGEMENT and tree removal has reduced faults

⬇

52% FEWER tree-caused faults

**HIGH FIRE RISK INSPECTION PROGRAM** has reduced remediation needs

⬇

59% LOWER defect find rate

ON SEGMENTS WHERE SCE HAS COVERED BARE WIRE, THERE HAS NOT BEEN A CPUC-REPORTABLE IGNITION FROM THE DRIVERS THAT COVERED CONDUCTOR IS EXPECTED TO MITIGATE

OUTCOMES WILL CONTINUE TO IMPROVE AS SCE DEPLOYS MITIGATIONS OVER TIME

While ignitions have increased across system, the impacts of wildfires have decreased substantially:

- Acres burned and structures destroyed decreased considerably from the 2017/2018 time period

- Ignitions in High Fire Risk Area have grown slower than non-HFRA, and are now leveling off

- Risk assessment and mitigation efforts are augmented by incorporating lessons learned from past events into future mitigation strategies

ANNUAL IMPACTS OF WILDFIRES[1]
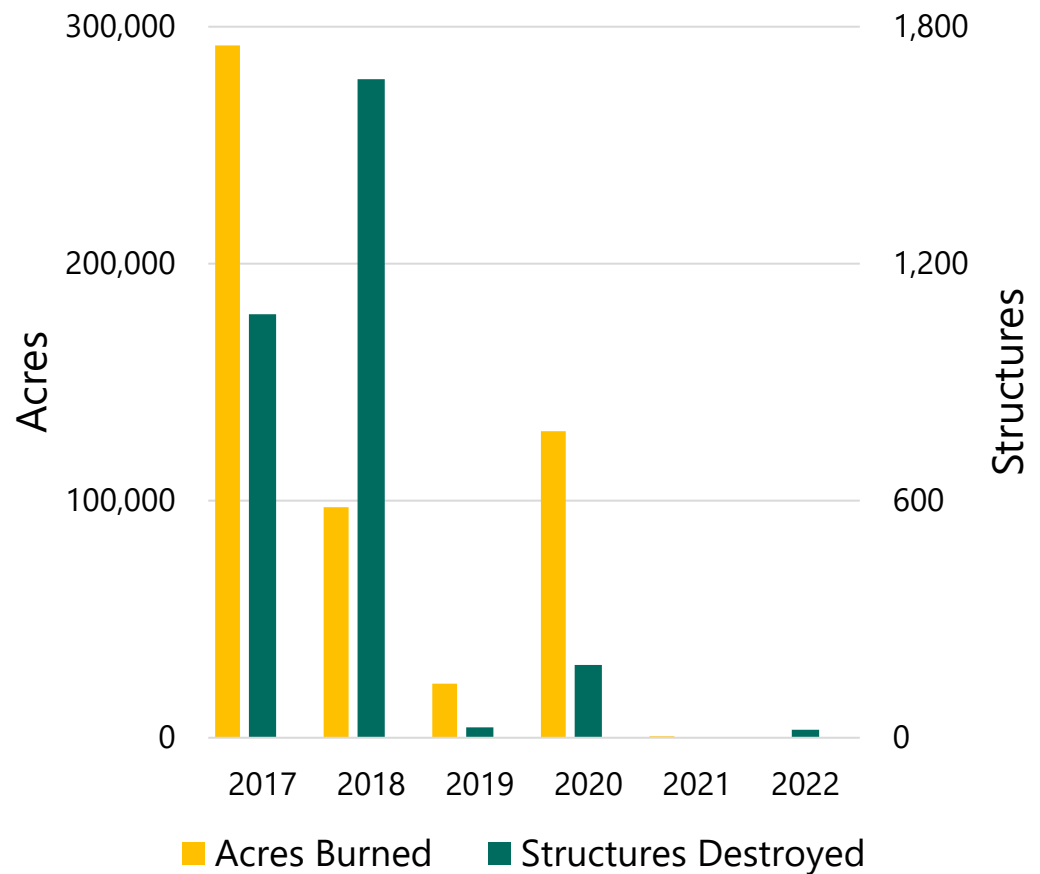
Legend: Acres Burned, Structures Destroyed

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SCE MADE SIGNIFICANT PROGRESS IN 2021 TO REDUCE THE IMPACT OF PSPS ON OUR CUSTOMERS

System-wide
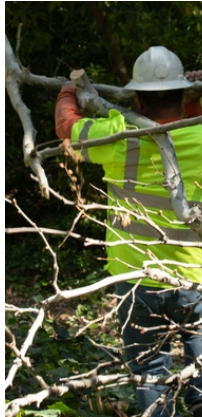
45%
Reduction in PSPS duration as a result of 2021 mitigation measures
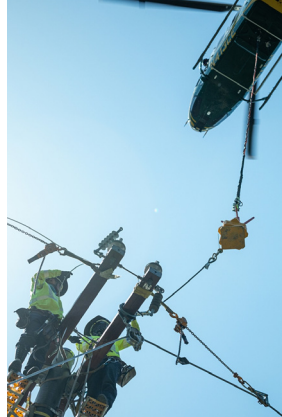
700
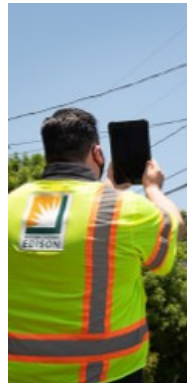Miles of expedited grid hardening

81,000
Customers removed from PSPS scope through exceptions and switching protocols

Frequently Impacted Circuits (FICs)

73%
Reduction in PSPS **duration** for the most frequently impacted circuits (FICs)

72%
Reduction in **scope** on FICs

49%
Reduction in event **frequency** on FICs

Note: January 2021 PSPS event is considered part of 2020 season as it was driven by 2020 weather and fuel conditions and managed with 2020 tools and capabilities

WHILE USE OF PSPS WILL CONTINUE, SCE IS TAKING ADDITIONAL MEASURES TO FURTHER REDUCE ITS IMPACTS

USE PSPS ONLY WHEN NECESSARY TO PROTECT PUBLIC SAFETY UNDER SIGNIFICANT FIRE-RISK WEATHER CONDITIONS

REDUCE THE NEED FOR PSPS	• Target 50+ circuits for expedited grid hardening • Continue circuit exception activities
EXECUTE PSPS EVENTS EFFECTIVELY	• Develop ~500 additional machine-learning weather models • Complete end-to-end process / system automation • Conduct monthly trainings and exercises
MITIGATE THE IMPACTS OF PSPS	• Build out Customer Resource Center availability • Continue to refine customer care programs • Expand programs and outreach for Access & Functional Needs customers
INFORM PARTNERS AND CUSTOMERS	• Improve customer and partner notification accuracy and timeliness through automation • Continue community and partner meetings
IMPROVE POST EVENT REPORTING	• Automate in-event/post-event data flows for more accurate and timely reporting

SCE IS MAKING TIMELY PROGRESS IN IMPLEMENTATION OF ENERGY SAFETY AND SCE SAFETY CULTURE ASSESSMENT RECOMMENDATIONS

SCE IMPLEMENTATION OF 2021 SAFETY CULTURE ASSESSMENT RECOMMENDATIONS

- **Improved safety-related communication concerning wildfire roles and decisions**, by enhancing wildfire safety protocol communications & conducting field workforce outreach
- **Evaluated progress of wildfire communication improvements** via surveys measuring PSPS protocol changes and communications effectiveness
- **Embedded learning organization concepts into culture**, by incorporating root cause and lessons learned into employee communications and initiating human & organizational performance training
- **Mitigated serious exposure posed by interactions with discontented members of the public**, by analyzing incident trends and training employees to proactively mitigate threats

SCE'S SAFETY CULTURE ASSESSMENT PROGRESS

- **Improved safety leadership and psychological safety,** by driving targeted activities to address key assessment findings, e.g., safety standups focused on speaking up

- **Implemented a risk-based approach to safety culture**, by focusing safety improvement efforts in targeted locations

Employees see safety culture improvements
- 78% agree safety culture has improved
- 75% see safety leadership improvements
- 91% "feel comfortable talking about safety concerns with their direct supervisors"

Performance Trends 2018-2022

Metric	2018	2019	2020	2021	2022[1]	Peer Benchmark Average[2]
Employee Fatalities	0	0	0	0	0	—
Employee Serious Injuries and Fatalities (SIF) Rate	0.11	0.05	0.12	0.06	0.11	0.07
Employee Days Away Restricted or Transferred (DART) Rate	0.98	1.17	0.90	1.05	1.16	0.53
Employee OSHA Rate	1.98	2.34	1.80	1.94	1.82	1.09
Contractor Fatalities	2	3	3	1	1	—
Contractor SIF Rate	0.32	0.13	0.19	0.12	0.09	—
Contractor DART Rate	0.55	0.35	0.45	0.36	0.26	0.40
Contractor OSHA Rate	0.92	0.56	0.65	0.57	0.43	0.88

SCE's 12-month moving average employee SIF rate of 0.07 is below previous multi-year averages:

Time Period	# Yrs	Avg SIF Rate
2016-2018	3	0.11
2019-2021	3	0.08
2017-2021	5	0.09

[1.] Safety performance data through July 2022
[2.] Employee benchmark based on 2021 survey of Edison Electric Institute (EEI) member companies. Contractor benchmark based on separate 2020 EEI survey. "–" indicates that no peer benchmark is available

Focus on leader safety ownership, hazard identification and controls, and embedding learnings from cause evaluations helps to improve worker safety

ENHANCING OUR CONTRACTOR MANAGEMENT SYSTEM TO IMPROVE SAFETY PERFORMANCE

OVERSIGHT	• Ratio of 1:30 contractor safety professionals to higher-risk[1] contract workers • Contractor Dashboard highlighting key metrics • Contractor Safety Quality Assurance Reviews
ACCOUNTABILITY	• Contractor badging and training qualification validation • 13% increase in SCE field safety observations of contractor work
CULTURE & ENGAGEMENT	• Contractor-led safety culture training for leaders of higher-risk contractors • SCE Management engaged in contractor incident reviews and lessons learned • Recognition program to acknowledge higher-risk contractor safety performance

[1] Higher risk in this context means contractors performing work scopes with historically higher volumes/severity of incidents on SCE property if behaviors/work practices deviate from established safety protocols and best practices

CPUC/ENERGY SAFETY
PUBLIC MEETING ON SAFETY

Thank you