

**BEFORE THE OFFICE OF ENERGY INFRASTRUCTURE SAFETY
OF THE STATE OF CALIFORNIA**

**REPLY COMMENTS OF THE UTILITY REFORM NETWORK
ON THE DRAFT DECISION ON SAN DIEGO GAS AND ELECTRIC COMPANY'S
2023-2025 WILDFIRE MITIGATION PLAN**



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**OPENING COMMENTS OF THE UTILITY REFORM NETWORK
ON THE DRAFT DECISION ON SAN DIEGO GAS AND ELECTRIC COMPANY’S
2023-2025 WILDFIRE MITIGATION PLAN**

The Utility Reform Network (“TURN”) submits these reply comments regarding Energy Safety’s Draft Decision on the 2023-2025 Wildfire Mitigation Plan (WMP) submitted by San Diego Gas and Electric Company (“SDG&E”).

I. SDG&E’S CHALLENGES TO ACI 23-06 ARE BASELESS

SDG&E (p. 3) disagrees with ACI 23-06. Its assertions are without merit.

A. The Draft Decision Correctly Finds that SDG&E’s Risk Modeling Does Not Account for the Fact that Covered Conductor Can Generally Be Deployed Much More Quickly than Undergrounding

SDG&E does not address Energy Safety’s correct finding that:

SDG&E’s WiNGS-Planning Model, which SDG&E uses to prioritize mitigation initiatives, does not currently incorporate the time value of risk (i.e., risk caused by long deployment timeframes) into its valuation of mitigation initiatives. Excluding this factor may bias mitigation investments toward undergrounding, which provides the most risk reduction but requires a substantially longer deployment timeframe than other mitigation initiatives, including covered conductor plus early fault detection, sensitive relay profile settings, and sensitive ground fault relay settings, **potentially leaving customers exposed to unmitigated risks for extended periods.**¹

Energy Safety’s finding on this point is well supported. As TURN stated in its May 26, 2023 comments on SDG&E’s WMP, SDG&E’s quantitative risk analysis does not reflect the value of risk reduction achieved years sooner via covered conductor compared to a relatively delayed deployment of undergrounding. Under SDG&E’s underground-first approach, a location in great need of wildfire risk reduction could be deprived of any mitigation for years while SDG&E determines whether undergrounding is feasible. If undergrounding leads to a

¹ Draft Decision, p. 30, emphasis added.

dead end, SDG&E will need to go back to the drawing board to deploy overhead hardening. In the process, SDG&E will have squandered years of significant risk reduction that could have been obtained if it had taken the timing and execution risks of undergrounding into account in choosing a system hardening alternative. SDG&E's approach is antithetical to the goal of obtaining as much risk reduction as quickly as possible and should be rejected.

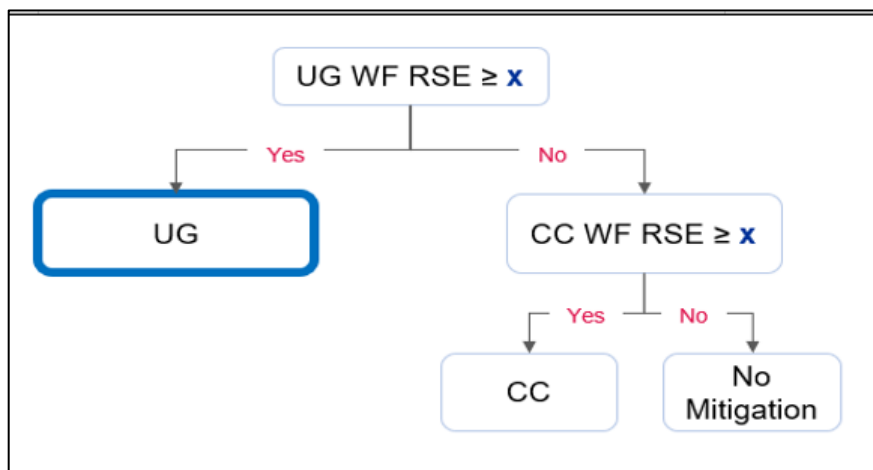
B. The Draft Decision Correctly Finds that SDG&E's Decision-Making Process for Choosing Among System Hardening Alternatives Defaults to Undergrounding

SDG&E (p. 3) claims that its decision-making process does not “default to undergrounding.” Yet SDG&E admits that it does not use a segment-by-segment comparison of RSEs for alternative mitigations to choose the best mitigation for a location.

Instead, as TURN explained in its May 26, 2023 comments, SDG&E's decision tree shows that SDG&E's process essentially guarantees that undergrounding will be chosen in most locations. In SDG&E's GRC, TURN obtained through discovery the following decision tree that SDG&E uses when choosing whether to deploy covered conductor or undergrounding.²

² TURN May 26, 2023 Comments on SDG&E's 2023 – 2025 WMP, Appendix A, TURN GRC testimony, p. 39.

Figure 1. SDG&E Undergrounding Decision Tree



Under this decision tree, SDG&E does not give overhead alternatives appropriate consideration. Instead, it asks *first* whether undergrounding would meet a pre-determined – but unspecified – threshold. If not, and only in that case, does SDG&E consider covered conductor, again comparing it to an unspecified threshold.

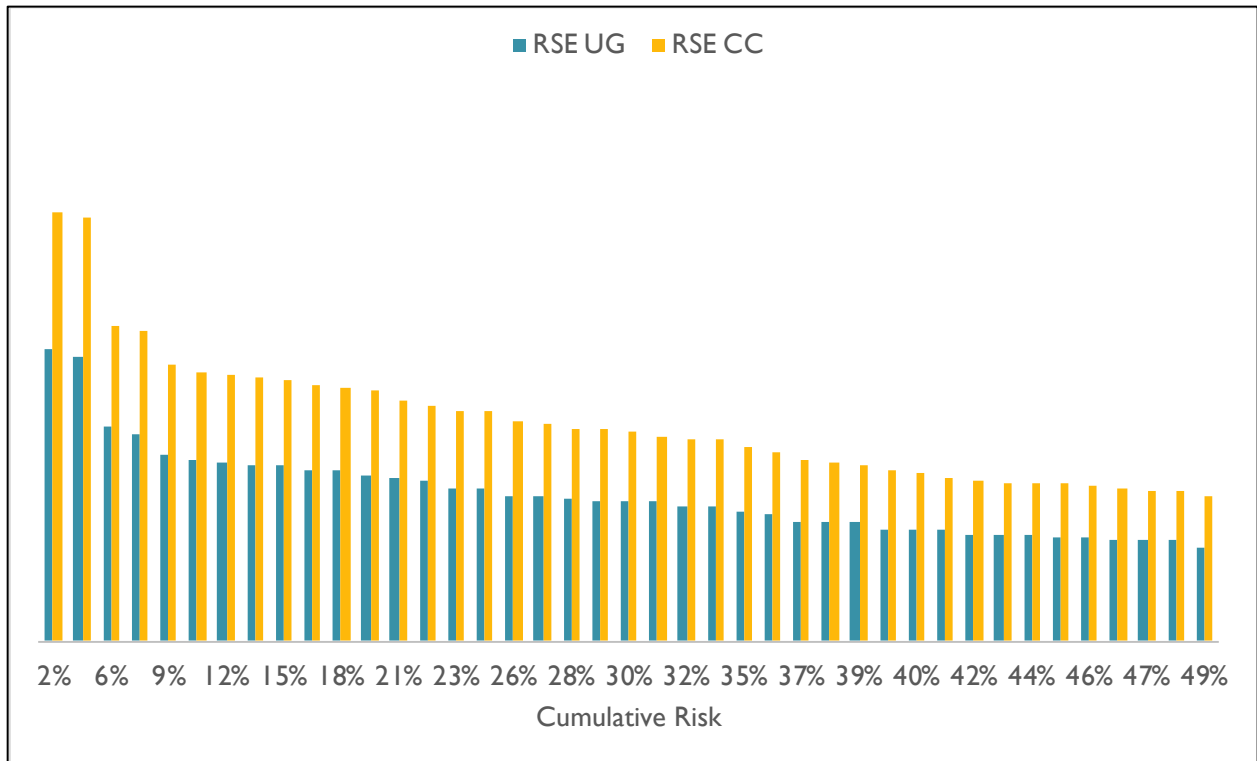
Thus, SDG&E’s choice is not informed by which alternative is the most cost-effective for the location. SDG&E’s process puts undergrounding in the pole position and only gives covered conductor an opportunity for consideration if the undergrounding RSE falls below a certain value, for which SDG&E has presented no justification regarding how and why this value was selected.

As further explained in TURN’s May 26, 2023 comments, if SDG&E chose between undergrounding and covered conductor based on which mitigation is more cost-effective in a given location, TURN’s analysis in the pending CPUC GRC shows that covered conductor would likely be chosen in most locations. Even using SDG&E’s biased risk modeling that TURN discussed in those comments,³ including an excessive cost for covered conductor, TURN

³ TURN May 26, 2023 Comments on SDG&E’s 2023 – 2025 WMP, pp. 7-14.

found that covered conductor has a higher RSE at all risk levels for the top 50 percent of wildfire risk where SDG&E has planned an undergrounding project, as shown in the following figure:⁴

Figure 2.
RSE of Undergrounding vs. Covered Conductor, WiNGS Model Analysis,
Sorted by Risk per Mile



TURN found that SDG&E’s WiNGS model results show that, on average, covered conductor is about 50 percent more cost-effective than undergrounding.⁵

SDG&E is systematically rejecting the most cost-effective system hardening mitigation, covered conductor, in favor a much more expensive and uncertain option that takes longer to

⁴ *Id.*, Appendix A, Borden/TURN GRC testimony, pp. 40-41.

⁵ *Id.*, p. 40.

deploy than overhead hardening. More risk reduction can likely be obtained more quickly through deployment of covered conductor. To avoid a poor use of limited ratepayer resources, SDG&E should be directed to promptly revise its system hardening selection process and to correct its risk modeling that is biased in favor of undergrounding.

II. ENERGY SAFETY SHOULD REJECT SDG&E’S REQUEST TO DELAY THE CORRECTION OF ITS GRID HARDENING DECISION-MAKING PROCESS

SDG&E pleads for more time to correct its decision-making process to model combinations of overhead hardening mitigations (pp. 3-4). Energy Safety should reject this request for the reasons given in the reply comments of Mussey Grade Road Alliance (MGRA) (submitted earlier today). In addition to the points made by MGRA, SDG&E has been aware of the requirement to consider combinations of mitigations in the grid hardening decision-making process from Energy Safety’s decision on PG&E’s 2022 WMP. There, Energy Safety required that PG&E’s 2023 WMP (i.e., this WMP round) demonstrate a full evaluation of system hardening alternatives *including considering combinations of system hardening initiatives*.⁶ Thus, there is no merit to SDG&E’s claim that it will not have time to incorporate analysis of combinations of alternatives into its decision-making process. SDG&E should not be allowed to stall the necessary requirements for SDG&E to correct how it chooses among grid hardening alternatives.

III. CONCLUSION

For the reasons set forth above, Energy Safety should reject SDG&E’s challenges to the Draft Decision. In addition, TURN continues to urge Energy Safety to adopt the recommendations in TURN’s opening comments on the SDG&E Draft Decision.

⁶ *Id.*, pp. 79-80 (emphasis added).

Date: September 29, 2023

Respectfully submitted,

By: _____/s/_____
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