



November 2, 2023

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

Re: Comments on Development of Guidelines for the 10-Year Electrical Undergrounding Distribution Infrastructure Plan (Undergrounding Plan)

Dear Director Jacobs:

The California Farm Bureau (Farm Bureau) appreciates the questions raised by the Electrical Undergrounding Division of the Office of Energy Infrastructure Safety (OEIS or Energy Safety) and the opportunity to provide comments. Farm Bureau represents agricultural energy customers that are located and take service from the state's electric investor-owned utility companies and has been active throughout the process from the legislature to now regarding SB 884 including comments on the Staff Proposal from the Public Utilities Commission (PUC). Farm Bureau still has significant concerns about how this program will impact General Rate Cases (GRCs) and the overall potential for ratepayer costs with regards to the program. It cannot be lost that participation in this expedited program is entirely *voluntary*. Ratepayer protection should be at the forefront, and nothing should be deemed too onerous and no detail insignificant.

To keep its comments succinct, Farm Bureau offers a few brief general concerns and then responses to each of the individual questions posed. There remain scant details on what will transpire during the nine month review period by Energy Safety, but Farm Bureau is hopeful this process will include robust stakeholder participation as well and take heed of some of the suggestions coming from the PUC Staff Proposal and subsequent feedback. We remain concerned to the degree OEIS will review or consider cost information during this phase. OEIS should not ignore cost completely, but their review should also have no precedent or bearing on what transpires in the cost review at the PUC.

It also remains unclear if a large electrical corporation or the PUC or OEIS can terminate a plan under the Program. Should new information, technologies, cost prohibitions, or other factors arise it may be valuable to insert a termination clause that reverts a large electrical corporation back to the GRC process and provides some type of time window for preventing another Application. However, this may be the focus of another set of feedback and Farm Bureau will be happy to comment further then.

Responses to Questions Presented

Part I

- a) **Outage Programs.** Outage programs should reflect Rapid Earth Fault Current Limiters (REFCL) or other technologies that may be developed. While there are current best practices, over a 10-year period there will hopefully be additional improvements outside of the current technologies and Farm Bureau believes the term was intended to capture those technologies.
- b) **Baseline for PSPS, EPSS, De-energization and Other Outage programs.** Farm Bureau does not have a specific baseline for this answer but believes the determination should reflect a significant time period to capture both seasonal variation in years as well as the introduction of technologies like EPSS into the wildfire mitigation landscape and their subsequent improvements in sensitivity.
- c) **Substantial Increase.** A substantial increase in reliability must include the cost for such an increase. Forecasted undergrounding lends itself to an appearance of increased reliability and decreased wildfire risk, but reality and actual application provides an exponential amount of pain points and the cost associated with achieving that “substantial increase” must be factored in. Reliability does not matter if you cannot afford to turn your lights on.
- d) **Baseline for Wildfire Risk.** An appropriate baseline should account for a reasonable seasonal and yearly variation that takes into account improvements in wildfire mitigation and also looks at the state as a whole rather than a particular large electrical corporations’ territory. This should help account for progress other utilities have made in areas that do not include undergrounding but have still seen wildfire risk reduction from things such as covered conductors.
- e) **Substantial Reduction of Wildfire Risk.** Similar to a substantial increase in reliability, this section must factor in the cost associated with undergrounding. While modeling for undergrounding may show a substantial reduction, if the cost is exorbitant then it must be levelized with other technologies. Similarly, a substantial reduction of wildfire risk must take into account the worst case scenario with undergrounding delays and issues and appropriately weigh the margin of error that other more widely used technologies such as covered conductor which may have much slimmer margins.

Part II

- a) **Definition of Undergrounding Projects.** Farm Bureau does not propose a specific definition for this part but does believe the definition must make clear that the conversion rate between underground and overhead system hardening makes mile to mile or apples to apples comparison more attainable. The definition for undergrounding projects or at some other place within the program there needs to be an establishment of best practices. How deep lines should be, what maintenance requirements will be in place, what activities can occur on top of the lines, and other standards by which OEIS can evaluate underground miles to ensure there is some uniformity and metric by which to evaluate what should be approved.

- b) The current requirements of Energy Safety are a good start and Farm Bureau suspects others will have good suggestions as well, but it would be prudent for the large electrical corporation to identify when mileage will be addressed as well and approximate completion time. Given the substantial investment that could come with approval of a 10-year plan, it must be clear to Energy Safety that there has been thorough analysis of the circuits that comprise this plan and the path that will be selected and completed. One contention is that the large electrical corporation will save the hardest miles for the end to improve its speed and cost metrics, by charting a path from the beginning, that will alleviate that concern and allow communities to adequately plan for future undergrounding.
- c) Energy Safety must make abundantly clear in its approval or disapproval that it makes no determination on cost and that an approval is subject to cost evaluation. Cost must still be provided as it is necessary to track potential revisions by the large electrical corporation. One of the drawbacks of this disjointed approach is the significant factor cost and ratepayer affordability plays in whether undergrounding is the best strategy. There must be the ability for the Public Utilities Commission to pushback or disagree with previously approved prioritization when it is shown that it will not be cost effective. Energy Safety should create a mechanism by which they can re-review priority in light of cost consideration from the Commission to ensure the two processes are building upon one another rather than two ships passing in the night.
- d) Farm Bureau addressed some of these concerns in b) but it is imperative that the large electrical corporations provide an adequate plan that includes a parallel plan with greater overhead system hardening using the same pathway in order to show where there may be improvements in timeline, cost, and mileage completion targets. The completion metrics and annual targets should also reflect the cost of vegetation management or other activity that has taken place on the same miles prior to undergrounding completion and post completion. It must be made clear that when there is rework on any of those miles as well as any ongoing maintenance that has been suggested will not be necessary. Without that information, there will not be sufficient data to determine whether the choice to underground was in fact the right one or any of the suggested “savings” will be realized. The reports cannot simply allow miles to be checked off and forgotten.

Conclusion

Farm Bureau appreciates the opportunity to respond to the questions raised by Energy Safety and will gladly take any additional opportunities to provide further explanation or feedback. Ratepayers have expended enormous amounts to support wildfire mitigation projects and ratepayers must be afforded the opportunity to properly address deficiencies and issues regarding these multibillion dollar plans. It is important to remember that **no utility is required to participate in this expedited program** and the tradeoff for expedited review should be extreme transparency of the costs and implications of these plans.

Sincerely,



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