

Docket #: 2021-SVM

November 3, 2023

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California Natural Resource Agency  
715 P Street, 20<sup>th</sup> Floor  
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Subject: PG&E 2021 Substantial Vegetation Management Audit Corrective Action Plan

Dear Program Manager Rose:

This letter is in response to the October 20, 2023, Office of Energy Infrastructure Safety (Energy Safety) Audit of PG&E's Substantial Vegetation Management (SVM) Work in 2021 (2021 SVM Audit). The audit evaluated "quantitative commitments (e.g., miles of lines to inspect) and verifiable statements (e.g., training of personnel) in the vegetation management section" of PG&E's 2021 Wildfire Mitigation Plan (WMP) Update to "determine if PG&E performed the work required by each of those commitments and statements." In its audit, Energy Safety found that PG&E performed all the required work for eleven (11) of twenty (20) initiatives in the 2021 WMP but that PG&E did not entirely complete the work required for nine (9) initiatives.<sup>1</sup>

We appreciate the opportunity to provide a response to Energy Safety's 2021 SVM Audit and recognize the effort that Energy Safety put into the assessment of the implementation and execution of our 2021 WMP vegetation management work. Energy Safety requested that PG&E submit a response to the corrective actions listed in Table 5 and any supporting documentation within ten (10) business days from the issuance date of the report (or by November 3, 2023) to the 2021-SVM docket in Energy Safety's e-filing system. Below, PG&E provides an overview regarding the scope and conclusions of

<sup>1</sup> 2021 SVM Audit, p. 1-2.

the 2021 SVM Audit and then provides a response to each of the corrective actions identified by Energy Safety.

## **Overview**

Under California Public Utilities Code section 8386.3(c)(5), Energy Safety is required to conduct an annual audit of an electrical corporation’s compliance “with the vegetation management requirements in the wildfire mitigation plan.” PG&E’s 2021 WMP Update included three specific commitments related to vegetation management:

- (1) completion of 1,800 circuit miles of Enhanced Vegetation Management (EVM);
- (2) expansion of month-ahead workplan reports to the Regional Water Quality Control Board representatives; and
- (3) performing 200 miles of transmission Right-of-Way (ROW) expansion within High Fire Threat District (HFTD) areas.

As PG&E demonstrated in its *Annual Report on Compliance for the 2021 WMP Update*, all three of these commitments were satisfied, and for EVM and ROW expansion were exceeded.<sup>2</sup> The 2021 SVM Audit confirmed that PG&E satisfied all three of these commitments.<sup>3</sup>

In addition to evaluating the 2021 WMP Update vegetation management commitments, the 2021 SVM Audit also evaluated “verifiable statements.” Although verifiable statements do not appear to be within the scope of Section 8386.5(c)(5), which only concerns “requirements” (*i.e.*, targets or commitments), the 2021 SVM Audit nonetheless found that PG&E satisfied the vast majority of the verifiable statements in the 2021 WMP Update. Specifically, the 2021 SVM Audit concludes:

**Table 1: Verifiable Statements in PG&E’s 2021 WMP Update<sup>4</sup>**

<b>Item</b>	<b>Number</b>	<b>Percentage</b>
Complete Verifiable Statements	61	81%
Incomplete Verifiable Statements	14	19%

For the verifiable statements that were deemed incomplete, it was often only part of, and in some cases a very small portion of, a statement that could not be validated as complete. For example, PG&E indicated that it would communicate with the public and agencies regarding community and environmental impacts of vegetation management using the following methods:

- Letters
- Postcards

<sup>2</sup> *PG&E Annual Report on Compliance for 2021 Wildfire Mitigation Plan*, pp. AppA-14 and AppA-15.

<sup>3</sup> See 2021 SVM Audit at p. 19 (Regional Water Quality Control Board), p. 22 (EVM miles), and p. 25 (transmission ROW expansion).

<sup>4</sup> Does not include 9 verifiable statements that simply referenced other sections in the 2021 WMP Update.

- Door hangers
- Fact Sheets
- Brochures
- Presentation materials
- Interactive Voice Response
- Website
- Social media
- E-mail letters
- Text
- Work plan portals<sup>5</sup>

The 2021 SVM Audit concluded that PG&E did not communicate via texting and thus this verifiable statement was incomplete, even though PG&E had provided evidence to demonstrate that it had utilized the other eleven methods of communication.<sup>6</sup>

Similarly, in the 2021 WMP Update PG&E had indicated that it would perform maintenance at 46 electric transmission substations and 63 hydroelectric substations in 2021, prioritizing the work based on HFTD tiers.<sup>7</sup> The 2021 SVM Audit concluded that PG&E completed *all of this work and in fact exceeded its stated targets*.<sup>8</sup> The 2021 SVM Audit also noted:

The maintenance records include the date of service, before and after images, and descriptions of work performed at each site. The records indicate that tree, brush, and debris clearance was conducted at all sites consistent with [California Public Resources Code section] 4291.<sup>9</sup>

Thus, the 2021 SVM Audit confirmed that: (1) all of the actual work was completed; (2) that PG&E's targets were exceeded; and (3) the work was entirely consistent with legal requirements. Despite this, the 2021 SVM Audit determined that "PG&E did not provide information consistent with the completion of the work identified in this statement regarding substation maintenance" because it could not confirm the prioritization of the work.<sup>10</sup> While prioritization is important, it is equally as important that all of the work was completed on all of the substations within the time specified in the 2021 WMP Update and consistent with legal requirements.

Finally, in evaluating the 2021 SVM Audit, it is important to recognize the critical importance of the vegetation management work that was completed in reducing wildfire risk reduction. For example, the 2021 SVM Audit concluded that PG&E completed its routine and mid-cycle inspections

<sup>5</sup> 2021 SVM Audit, p. 16.

<sup>6</sup> 2021 SVM Audit, p. 16.

<sup>7</sup> 2021 WMP Update, p. 750.

<sup>8</sup> 2021 SVM Audit, pp. 60-61 (stating that PG&E performed maintenance on 79 transmission substations, or 72% more than originally targeted, and on 64 hydroelectric substations, or 2% more than originally targeted).

<sup>9</sup> 2021 SVM Audit, p. 61.

<sup>10</sup> 2021 SVM Audit, p. 61.

which are critical for identifying potential vegetation-related ignition risks.<sup>11</sup> The 2021 SVM Audit also concluded that PG&E risk-prioritized its EVM program and performed 1,800 circuit miles of EVM work.<sup>12</sup> The 2021 SVM Audit also concluded that PG&E completed quality verification and quality assurance work, which is critical to ensuring that vegetation management work is performed appropriately.<sup>13</sup> Although PG&E recognizes that each verifiable statement in the 2021 WMP Update is important, it is equally as important that Energy Safety and stakeholders bear in mind that the 2021 SVM Audit confirms that PG&E successfully completed many of the most critical aspects of its vegetation management program and that this completed work resulted in wildfire risk reduction.

### **Response to Corrective Actions**

Energy Safety requested that PG&E submit a response to twelve (12) corrective actions associated with the areas identified by the 2021 SVM Audit as incomplete. Table 5 in the 2021 SVM Audit identified the following corrective actions:

<b>Table 5: Corrective Actions and Findings from Energy Safety’s 2021 SVM Audit of PG&amp;E</b>		
<b>Initiative Number</b>	<b>Finding</b>	<b>Corrective Action</b>
7.3.5.1	1. PG&E did not communicate its community and environmental impacts via text messaging in 2021.	PG&E shall a) provide a reason why it did not conduct communication efforts in all the methods listed in this initiative of the WMP, and b) detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.
7.3.5.1	2. PG&E did not continue discussions with CALFIRE and the Board of Forestry in 2021, only attending one public workshop regarding Forest Practice Rules and of Utility Exemptions.	PG&E shall a) provide a reason why it did not continue discussions with CALFIRE and the Board of Forestry regarding Forest Practice Rules and Utility Exemptions in 2021 beyond attending the one public workshop, and b) detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.
7.3.5.3	3. PG&E did not reach the targets of LiDAR flown for NERC and non-NERC lines in 2021.	PG&E shall a) provide an explanation for why it did not meet its target for LiDAR flown for NERC and non-NERC lines, b) detail the steps it’s taking to ensure vegetation management operations are consistent with the targets stated in the WMP, and c) detail the steps it’s taking to ensure PG&E’s

<sup>11</sup> 2021 SVM Audit, pp. 20-21.

<sup>12</sup> 2021 SVM Audit, pp. 21-22.

<sup>13</sup> 2021 SVM Audit, pp. 29-31.

**Table 5: Corrective Actions and Findings from Energy Safety’s 2021 SVM Audit of PG&E**

<b>Initiative Number</b>	<b>Finding</b>	<b>Corrective Action</b>
		database (ETGIS) accurately portrays the miles in the field.
7.3.5.3	4. PG&E did not provide documentation showing the ROW Expansion program treated vegetation via chipping or lopping and scattering in 2021.	PG&E shall a) confirm PG&E cannot provide documentation showing different fuel treatment types in this program, and b) detail the steps it’s taking to track ROW Expansion program vegetation management treatments as described in the WMP.
7.3.5.3	5. PG&E did not formally document its prioritization of the IVM projects in 2021.	PG&E shall detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.
7.3.5.14	6. PG&E did not add program-specific courses for Transmission VM programs.	PG&E shall provide evidence that it has added or plans to add the Transmission specific course to the SLP.
7.3.5.14	7. PG&E did not meet the requirement for the month 6 audit and instead completed the month 6 audit in month 9.	PG&E shall a) provide a reason why it failed to timely complete the month 6 audit, b) detail steps it’s taking to ensure audits are timely completed.
7.3.5.17	8. PG&E did not meet the inspection targets for Electric Distribution Substations within or adjacent to Tier 2 and Tier 3 HFTD.	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it documents any deviations from the targets stated in its WMP, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.
7.3.5.17	9. PG&E did not meet the inspection targets for Electric Distribution Substations not within or adjacent to Tier 2 and Tier 3 HFTD.	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it utilizes the programmatic cadence stated in its WMP to determine target completion, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.

<b>Table 5: Corrective Actions and Findings from Energy Safety’s 2021 SVM Audit of PG&amp;E</b>		
<b>Initiative Number</b>	<b>Finding</b>	<b>Corrective Action</b>
7.3.5.17	10. PG&E did not meet the inspection targets for Electric Transmission Substations not within or adjacent to Tier 2 and Tier 3 HFTD.	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it utilizes the programmatic cadence stated in its WMP to determine target completion, and b) detail the steps it is taking to ensure vegetation management operations are consistent with the targets stated in its WMP.
7.3.5.18	11. PG&E did not meet the maintenance targets for Electric Distribution Substations within or adjacent to Tier 2 and Tier 3 HFTD.	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it documents any deviations from the targets stated in its WMP, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.
7.3.5.18	12. PG&E’s records did not clearly show it prioritized Electric Transmission Substation and Hydro facility maintenance based on HFTD Tiers.	PG&E shall a) provide clear records showing it prioritized Electric Transmission Substation and Hydro facility maintenance based on HFTD Tiers or provide an explanation as to why these clear records are not available, b) describe how it will clearly demonstrate in the future that it is prioritizing facility maintenance based on HFTD Tiers, and c) detail the steps it is taking to ensure vegetation management operations are consistent with the targets stated in its WMP.

Below, we provide a response to each of the findings and corrective actions identified in Table 5 of the SVM Audit. For each item, we provide the Initiative Number, Energy Safety’s finding, the corrective action, and our response.

<b>Initiative Number:</b>	7.3.5.1
<b>Finding:</b>	1. PG&E did not communicate its community and environmental impacts via text messaging in 2021.
<b>Corrective Action(s):</b>	PG&E shall a) provide a reason why it did not conduct communication efforts in all the methods listed in this initiative of the WMP, and b) detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.

**Response No. 1:**

- (a) PG&E believes that it met the 2021 WMP Update statement tied to communications with local communities. While we did not leverage an automated texting function for formal customer outreach, which is what we understood the data request referenced in the 2021 SVM Audit was

asking for<sup>14</sup>, the Vegetation Management organization regularly interacted with customers directly via email, phone, and texts. Please see “Attachment 11\_7.3.5.1\_Q001\_IMG\_1289\_CONF.pdf” and “Attachment 12\_7.3.5.1\_Q001\_IMG\_1714\_CONF.pdf” for two examples of text communications with customers. We believe these types of individual text messages are consistent with the statement that we will communicate regarding program information and sharing plans for vegetation management.

- (b) PG&E continues to evolve its communications channels. In 2023, PG&E adopted text message capabilities, which now allow us to send formal customer and community outreach messages via texts. In February 2023, our customer notification teams for planned outages for vegetation management work began using text messaging. In April 2023, PG&E began utilizing text communications ahead of Routine and Second Patrol Vegetation Management work. PG&E will continue to utilize text messaging as one means of communication as long as it aligns with Vegetation Management operational processes and is an effective customer communication tool.

<b>Initiative Number:</b>	7.3.5.1
<b>Finding:</b>	2. PG&E did not continue discussions with CALFIRE and the Board of Forestry in 2021, only attending one public workshop regarding Forest Practice Rules and of Utility Exemptions.
<b>Corrective Action(s):</b>	PG&E shall a) provide a reason why it did not continue discussions with CALFIRE and the Board of Forestry regarding Forest Practice Rules and Utility Exemptions in 2021 beyond attending the one public workshop, and b) detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.

**Response No. 2:**

- (a) PG&E believes that it met the 2021 WMP Update statement regarding discussions with the Board of Forestry and CAL FIRE. In its 2021 WMP Update, PG&E stated that it would continue discussions with the Board of Forestry and CAL FIRE regarding Forest Practice Rules and the application of Utility Exemptions.<sup>15</sup> Discussions in the 2021 WMP Update were not limited to workshops. PG&E conducted multiple discussions with CALFIRE and the Board of Forestry in 2021.

In response to Energy Safety Data Request (DR)-120, Question 9, which asked specifically about workshops, we provided evidence of one workshop attended with the Board of Forestry in 2021 where PG&E provided a PowerPoint presentation related to the Forest Practice Rules and Utility Exemptions.<sup>16</sup> However, many of the discussions in 2021 occurred outside a formal workshop. We are providing in this response to the 2021 SVM Audit additional information of discussions and meetings that occurred in 2021 with CAL FIRE, the Board of Forestry, Governor’s Office, and the California Natural Resources Agency (CNRA). Specifically, in 2021, PG&E participated

<sup>14</sup> 2021 SVM Audit, p. 16, n. 44.

<sup>15</sup> 2021 WMP Update, p. 691.

<sup>16</sup> 2021 SVM Audit, p. 19.

in ongoing discussions and meetings with CAL FIRE and the Board of Forestry regarding Forest Practice Rules and Utility Exemptions. These discussions resulted in the Board of Forestry voting to send “45-day language” to the Office of Administrative Law that, in one version, proposed a *de minimis* exemption from the Utility Exemption regulation for routine work within a utility’s legally recorded right of way.

In addition to the discussions and meetings with CAL FIRE, the Governor’s Office and CNRA described above, PG&E also supported state legislation in 2021 addressing modifications to the Forest Practice Rules and discussed this legislation with CAL FIRE, CNRA, legislative policy committee leadership, and the Governor’s Office. During the 2021-22 Legislative Session, PG&E supported Assembly Bill 448 (Mayes)<sup>17</sup> and Senate Bill 396 (Dahle, Bradford)<sup>18</sup>, both of which sought to clarify California law regarding the management of vegetation on properties where the utility does not have land rights or the express consent of the landowner. Subsequent discussions between PG&E, legislative committees, the authors, and the Administration also included discussions concerning the conflicts between state law, California Public Utilities Commission (CPUC) regulations, CAL FIRE regulations, and the Forest Practice Rules.

- (b) Since 2021, PG&E has continued to engage with the state legislature, state agencies such as CAL FIRE and the Board of Forestry, as well as the Governor’s Office regarding our ongoing concerns related to the Forest Practice Rules and Utility Exemptions.

When the *de minimis* exemption did not proceed to OAL publication, PG&E subsequently met with members of the Governor’s Office to discuss advancing the issue. PG&E also continued to engage with CAL FIRE on two separate occasions in 2022, including proposing alternative language to resolve CAL FIRE concerns, and followed up with CAL FIRE approximately every two months thereafter. Ultimately, although CAL FIRE did not approve PG&E’s proposed language, PG&E continued to address its concerns in a comment letter in response to the Board of Forestry’s annual “Call for Regulatory Review.”

Please see the following attachments for evidence of discussions with these agencies:

- Attachment 01\_7.3.5.1\_Q002\_1-12-21 Meeting Cal Fire – PGE – CA NR\_CONF.pdf
- Attachment 02\_7.3.5.1\_Q002\_2-2-21 Meeting Cal Fire – PGE – CA NR\_CONF.pdf
- Attachment 03\_7.3.5.1\_Q002\_2-9-21 Meeting Cal Fire – PGE – CA NR\_CONF.pdf
- Attachment 04\_7.3.5.1\_Q002\_3-3-21 Meeting Cal Fire – PGE – CA NR\_CONF.pdf
- Attachment 05\_7.3.5.1\_Q002\_4-6-21 Board of Forestry Committee Meeting\_CONF.pdf
- Attachment 06\_Q002\_GO-PG&E UE 8-23-21\_Governor Office\_CONF.pdf
- Attachment 07\_Q002\_GO-Sen-PG&E-SB396 10-18-21\_Governor Office\_CONF.pdf
- Attachment 08\_7.3.5.1\_Q002\_PG&E Response to Board of Forestry Call for Regulatory Review (10/13/2023).pdf

<sup>17</sup> Assembly Bill 448, 2021-2022 Legislative Session <https://legiscan.com/CA/text/AB448/id/2382695/California-2021-AB448-Amended.html>

<sup>18</sup> Senate Bill 396, 2021-2022 Legislative Session <https://legiscan.com/CA/text/SB396/id/2599759/California-2021-SB396-Amended.html>



<b>Initiative Number:</b>	7.3.5.3
<b>Finding:</b>	3. PG&E did not reach the targets of LiDAR flown for NERC and non-NERC lines in 2021.
<b>Corrective Action(s):</b>	PG&E shall a) provide an explanation for why it did not meet its target for LiDAR flown for NERC and non-NERC lines, b) detail the steps it's taking to ensure vegetation management operations are consistent with the targets stated in the WMP, and c) detail the steps it's taking to ensure PG&E's database (ETGIS) accurately portrays the miles in the field.

**Response No. 3:**

- (a) In 2021, PG&E performed all of the Routine NERC and Routine Non-NERC electric transmission LiDAR inspections qualitatively described in the 2021 WMP Update. In its 2021 WMP Update, PG&E stated that it would perform LiDAR inspections of approximately 6,800 miles of NERC critical transmission lines and approximately 11,400 miles of Non-NERC critical transmission lines.<sup>19</sup> The approximate miles were based on data in PG&E's Electric Transmission GIS system. To prepare for annual LiDAR inspections of transmission lines, PG&E takes a snapshot of the information in the Electric Transmission GIS system at a specific point in time. The Electric Transmission GIS snapshot is then used by our VASA team to develop a workplan for LiDAR inspections. The VASA workplan is then provided to our vendor who performs the actual LiDAR inspections.

During a calendar year, electric transmission facilities are decommissioned, removed, or re-routed so that the actual miles of LiDAR inspections performed may vary from the Electric Transmission GIS snapshot and the VASA workplan provided to the vendor. In addition, the number of miles in the actual LiDAR inspections will vary when transmission line conductors are on two-sides of a tower (*i.e.*, in Electric Transmission GIS a span between two towers may be two times longer than the actual span because Electric Transmission GIS counts the two sides of the tower as separate for purposes of mileage).<sup>20</sup> As the 2021 SVM Audit notes, in discovery responses, we explained that these were the reasons why there was a variation between the approximate miles included in the 2021 WMP Update and the actual miles of LiDAR inspection performed.<sup>21</sup>

In our data request responses, we did not include exact mileage for decommissioned, removed, or re-routed facilities, nor did we include the exact mileage of towers with conductors on two sides. Thus, adding the approximated numbers in the data responses to the actual numbers of LiDAR miles was not intended to result in the approximate numbers in the 2021 WMP Update. Because there were approximations in both the 2021 WMP Update and the data responses, the numbers were not intended to add up exactly. What is clear is that in 2021 PG&E performed all of the Routine NERC and Routine Non-NERC electric transmission LiDAR inspections qualitatively described in the 2021 WMP Update. Thus, PG&E believes that these LiDAR inspections specified in the 2021 WMP Update were completed.

<sup>19</sup> 2021 WMP Update, p. 697 (emphasis added).

<sup>20</sup> 2021 SVM Audit, p. 24 (citing and quoting discovery responses).

<sup>21</sup> 2021 SVM Audit, p. 24.

- (b) While PG&E met its Routine NERC and Routine Non-NERC transmission line LiDAR inspection goal described in the 2021 WMP Update, we are continuing to improve vegetation management operations so that actual work performed is consistent with the targets stated in the WMP. This includes:
1. Reviewing electric transmission line status with Transmission Asset team;
  2. Validating LiDAR deliveries using Electric Transmission GIS and the VASA workplan that is tied to PG&E’s WMP commitment for inspection and work plan completion of transmission line LiDAR inspections; and,
  3. Establishing annual targets based on Electric Transmission GIS data, instead of “approximate targets” based on transmission line status review.
- (c) PG&E is taking the following steps regarding Electric Transmission GIS information:
1. Verifying that contemporary/updated Electric Transmission GIS data is being used;
  2. Using ArcMap or similar tool to calculate assigned line mileages from Electric Transmission GIS asset data; and,
  3. For each transmission line:
    - i. Ensuring Line Names, Voltages, SAP\_ID & NERC designations are correct.
    - ii. Denoting all new Lines in the assignment.
    - iii. Denoting all removed Lines in the assignment.
    - iv. Identifying all parallel circuits and update those with prior year mileages.
    - v. Comparing calculated line miles to those provided in the work plan.
    - vi. Comparing prior year line miles to prior year LIDAR alignments.

<b>Initiative Number:</b>	7.3.5.3
<b>Finding:</b>	4. PG&E did not provide documentation showing the ROW Expansion program treated vegetation via chipping or lopping and scattering in 2021.
<b>Corrective Action(s):</b>	PG&E shall a) confirm PG&E cannot provide documentation showing different fuel treatment types in this program, and b) detail the steps it’s taking to track ROW Expansion program vegetation management treatments as described in the WMP.

**Response No. 4:**

- (a) PG&E performed chipping and lopping and scattering as part of its ROW Expansion program in 2021. These activities were performed in accordance with standard industry practice. At this

time, our operational practices do not require tracking slash management methods by circuit name, date, or location.

- (b) Fuel treatment types are not currently tracked or documented as part of the ROW expansion program. However, as stated in the 2021 WMP Update, slash and fuels from VM work is chipped onsite with an off-road tracked chipper machine or masticated in place where it is reasonable to do so.<sup>22</sup> Any areas inaccessible to machinery have fuel treatments of lop and scatter.

<b>Initiative Number:</b>	7.3.5.3
<b>Finding:</b>	5. PG&E did not formally document its prioritization of the IVM projects in 2021.
<b>Corrective Action(s):</b>	PG&E shall detail the steps it’s taking to ensure vegetation management operations are consistent with statements made in this initiative of the WMP.

**Response No. 5:**

In 2021, PG&E prioritized Integrated Vegetation Management (IVM) work based on aging of work cycles and evaluation of vegetation re-growth consistent with the 2021 WMP Update statements. Our teams follow an operational practice that includes a review of the program scope and a comparison of the scope to the past project history for a particular circuit. The 2021 SVM Audit indicated that Energy Safety was not able to document this prioritization for 2021 but recognized that PG&E had indicated that in 2022 it began to formally document its prioritization of IVM projects.<sup>23</sup>

<b>Initiative Number:</b>	7.3.5.14
<b>Finding:</b>	6. PG&E did not add program-specific courses for Transmission VM programs.
<b>Corrective Action(s):</b>	PG&E shall provide evidence that it has added or plans to add the Transmission specific course to the SLP.

**Response No. 6:**

PG&E did not commit to adding a program-specific course for Transmission VM in 2021. The 2021 WMP specifically states that “PG&E anticipates adding program-specific courses for our Distribution and Transmission VM Programs.”<sup>24</sup> The 2021 SVM Audit concluded that PG&E added a Distribution VM course but did not add a Transmission VM course.<sup>25</sup> However, because PG&E did not commit to adding a Transmission VM course in 2021, this statement was not incomplete. PG&E recognizes the importance of training and will continue to evolve its VM training programs. This includes the addition of the VEGM-0700 (Transmission Inspection Procedure) course in 2023 to support the updated procedure changes for the Transmission VM program.

<sup>22</sup> 2021 WMP Update, p. 697.

<sup>23</sup> 2021 SVM Audit, p. 26.

<sup>24</sup> 2021 WMP Update, p. 730.

<sup>25</sup> 2021 SVM Audit, p. 49.

<b>Initiative Number:</b>	7.3.5.14
<b>Finding:</b>	7. PG&E did not meet the requirement for the month 6 audit and instead completed the month 6 audit in month 9.
<b>Corrective Action(s):</b>	PG&E shall a) provide a reason why it failed to timely complete the month 6 audit, b) detail steps it's taking to ensure audits are timely completed.

**Response No. 7:**

- (a) PG&E believes we implemented the audit documentation feature in the Structured Learning Path (SLP) as intended in the 2021 WMP Update. However, we did not effectively enforce the timeline as written due to the significant onboarding of EVM workforce and thus, in the example provided, the audit was conducted at the 9 month interval rather than the 6 month interval.
- (b) Leveraging an audit documentation procedure was originally intended to validate the quality of the pre-inspection coworkers. While at the time we felt this process was the best way to track progress, we have since implemented a multi-layer quality inspection process to drive overall performance improvement, including that of the pre-inspectors. Our quality inspection process includes three field quality assessments (i.e., knowledge test, work practices, and safety oversight) and a post-work Quality Control (QC) and Quality Assurance (QA) validation. As a result of this, PG&E determined that the quality process we have implemented is more effective at tracking the progress of our organization. PG&E will continue to enhance its vegetation management training.

<b>Initiative Number:</b>	7.3.5.17
<b>Finding:</b>	8. PG&E did not meet the inspection targets for Electric Distribution Substations within or adjacent to Tier 2 and Tier 3 HFTD.
<b>Corrective Action(s):</b>	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it documents any deviations from the targets stated in its WMP, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.

**Response No. 8:**

- (a) The 2021 SVM Audit confirmed that PG&E completed 170 Electric Distribution Substations inspections within or adjacent to Tier 2 and Tier 3 HFTD in 2021.<sup>26</sup> The number of electric distribution substation inspections changed during 2021 from 176 to 170 due to combining substations with two or more locations into one substation location.<sup>27</sup> PG&E documented this change in its 2021 Q2 Quarterly Initiative Update (QIU).<sup>28</sup> PG&E did not request a Change Order for this inspection work because it fell below the Change Order threshold established by Energy Safety. Specifically, the final Change Order process adopted by Energy Safety on October 6, 2021, specified that submitting a Change Order was only appropriate when a change

<sup>26</sup> 2021 SVM Audit, p. 55.

<sup>27</sup> 2021 SVM Audit, p. 60.

<sup>28</sup> See PG&E's 2021 Q2 QIU, Row 103, Column X.

to a WMP initiative target was 5% or greater.<sup>29</sup> Because a change in the work from 176 to 170 electric distribution substation inspections is only 3.4%, it did not meet Energy Safety’s 2021 threshold for a Change Order. Going forward, however, PG&E will indicate in its quarterly reporting and Annual Report on Compliance when targets have changed during a year, but the change is not sufficient to meet the Change Order threshold.

- (b) PG&E’s vegetation management organization will continue to review WMP targets and ensure that its operations are consistent with these targets. When targets need to change during a year, PG&E will seek a change order where appropriate or indicate the changes in quarterly and annual reporting.

<b>Initiative Number:</b>	7.3.5.17
<b>Finding:</b>	9. PG&E did not meet the inspection targets for Electric Distribution Substations not within or adjacent to Tier 2 and Tier 3 HFTD.
<b>Corrective Action(s):</b>	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it utilizes the programmatic cadence stated in its WMP to determine target completion, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.

**Response No. 9:**

- (a) In our 2021 WMP Update, we explained that we would inspect 263 Electric Distribution Substations not within a Tier 2 or Tier 3 HFTD (non-HFTD) for the purposes of achieving defensible space.<sup>30</sup> This statement could have been more precise. We proactively started inspecting non-HFTD substations in July 2020 and completed these inspections in November 2021. Because we started these inspections before January 1, 2021, not all of the inspections occurred during 2021. The 2021 SVM Audit acknowledges that a significant number of inspections occurred in 2020.<sup>31</sup> Given the importance of this program and the desire to create defensible space, we did not want to wait until 2021 to start this work but instead started as early as possible in 2020.

Please also note that in our 2021 Q2 and Q3 QIU, we indicated that the frequency for defensible space inspections for non-HFTD electric distribution substations would change going forward. As we stated in the QIU “[n]ote that in 2021 and beyond, [HFTD] inspections will occur annually as they have since 2019 from 11/15 to 5/1 with 1/3 of non-HFTD locations to be inspected every 3 years.”<sup>32</sup>

- (b) As indicated above in subpart (a), in our 2021 Q2 and Q3 QIU we explained that the frequency for non-HFTD substation defensible space inspections would change going forward.

In addition, for clarification, Energy Safety’s audit stated “PG&E did not meet its inspection targets for Electric Transmission Substations not within a Tier 2 or 3 HFTD. PG&E completed

<sup>29</sup> Office of Energy Infrastructure Safety Final Change Order Process issued October 6, 2021, p. 4.

<sup>30</sup> 2021 WMP Update., p. 744.

<sup>31</sup> 2021 SVM Audit, pp. 55-56.

<sup>32</sup> See PG&E’s 2021 Q2 and Q3 QIU, Row 104, Column X and Y respectively.

86 of 263, or 33%, of planned inspections.”<sup>33</sup> We re-assessed our data file and found Energy Safety’s assessment inadvertently excluded 11 facilities that were inspected in 2021. We completed 95 (36%) of the inspections occurred from 11/15/2020 to 11/15/2021. Please see attachment “Attachment 09\_7.3.5.17\_Q009\_DRU11971\_Q002\_Atch01\_Q.2.a DIST Tier 1 List of Inspections\_PGE recon.xlsx”.

<b>Initiative Number:</b>	7.3.5.17
<b>Finding:</b>	10. PG&E did not meet the inspection targets for Electric Transmission Substations not within or adjacent to Tier 2 and Tier 3 HFTD.
<b>Corrective Action(s):</b>	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it utilizes the programmatic cadence stated in its WMP to determine target completion, and b) detail the steps it is taking to ensure vegetation management operations are consistent with the targets stated in its WMP.

**Response No. 10:**

- (a) In our 2021 WMP Update, we explained that we would inspect 41 non-HFTD Electric Transmission Substations for the purposes of achieving defensible space.<sup>34</sup> This statement could have been more precise. We proactively started inspecting non-HFTD transmission substations in August 2020 and completed these inspections in October 2021. Because we started these inspections before January 1, 2021, not all of the inspections occurred during 2021. The 2021 SVM Audit acknowledges that a significant number of inspections occurred in 2020.<sup>35</sup> Given the importance of this program and the desire to create defensible space, we did not want to wait until 2021 to start this work but instead started as early as possible in 2020. After these initial 2020-2021 inspections, we have not included in subsequent WMPs targets for non-HFTD electric transmission substation inspections for achieving defensible space.
- (b) As we indicated in subpart (a), transmission substation inspections for defensible space in non-HFTD areas have not been included in subsequent WMPs.

In addition, for clarification, the 2021 SVM Audit Data Request (DR-191) indicates that Energy Safety found that nineteen (19) inspections occurred from 11/15/2020 through 11/15/2021 and that twenty-two (22) inspections had an inspection date prior to 11/15/2020. When we evaluated the information provided, we noticed that the “San Luis Obispo” facility had completed inspection on 2/8/2021 and was not included in Energy Safety’s count. Please see attachment “Attachment 10\_7.3.5.17\_Q010\_DRU11971\_Q004a\_Atch02\_Tier 1 TRN Site Inspections and Mitigation\_PGE recon.xlsx.” for the breakdown of substations with completed inspections in 2021. Based on our review, we believe the correct count is:

- 23 (56%) of the inspections occurred from 11/15/2020 to 11/15/2021.
- 18 (44%) of the inspections had an inspection date prior to 11/15/2020.

<sup>33</sup> 2021 SVM Audit, p. 2.

<sup>34</sup> 2021 WMP Update., p. 746.

<sup>35</sup> 2021 SVM Audit, pp. 55-57.

<b>Initiative Number:</b>	7.3.5.18
<b>Finding:</b>	11. PG&E did not meet the maintenance targets for Electric Distribution Substations within or adjacent to Tier 2 and Tier 3 HFTD.
<b>Corrective Action(s):</b>	PG&E shall detail the steps it is taking to: a) ensure that within its future EC ARCs, it documents any deviations from the targets stated in its WMP, and b) ensure vegetation management operations are consistent with the targets stated in its WMP.

**Response No. 11:**

- (a) Maintenance for electric distribution substations changed during 2021 from 176 to 170 due to the sale or decommissioning of assets as well as grouping co-located facilities.<sup>36</sup> PG&E documented the change in its 2021 Q2 Quarterly Initiative Update (QIU).<sup>37</sup> PG&E did not request a Change Order for this work because it fell below the change order threshold established by Energy Safety. Specifically, the final Change Order process adopted by Energy Safety on October 6, 2021, stated that submitting a Change Order was only appropriate when a WMP initiative target was changed by 5% or greater.<sup>38</sup> Because a change in the work from 176 to 170 is only 3.4%, it did not meet Energy Safety’s 2021 threshold for Change Orders. Going forward, however, PG&E will indicate in its quarterly reporting and Annual Report on Compliance when targets have changed during a year, but the change is not sufficient to meet the Change Order threshold.

PG&E also notes that it did not meet the maintenance work for Electric Distribution Substations within or adjacent to HFTDs. Of the 170 total sites, 166 Defensible Space Maintenance Operations at Electric Distribution Substations within or adjacent to a Tier 2 or Tier 3 HFTDs were completed by the end of Q2. However, the remaining 4 locations were in progress but were unable to be completed due to external factors because they were delayed by the coastal development permit process. The permit process concluded, and this work has been completed since 2022.

- (b) PG&E’s vegetation management organization will continue to review WMP targets and ensure that its operations are consistent with these targets. When targets need to change during a year, PG&E will seek a change order where appropriate or indicate the changes in quarterly and annual reporting.

<b>Initiative Number:</b>	7.3.5.18
<b>Finding:</b>	12. PG&E’s records did not clearly show it prioritized Electric Transmission Substation and Hydro facility maintenance based on HFTD Tiers.
<b>Corrective Action(s):</b>	PG&E shall a) provide clear records showing it prioritized Electric Transmission Substation and Hydro facility maintenance based on HFTD Tiers or provide an explanation as to why these clear records are not available, b) describe how it will clearly demonstrate in the future that it is prioritizing facility maintenance based on HFTD Tiers, and c) detail the steps it is taking

<sup>36</sup> 2021 SVM Audit, p. 60.

<sup>37</sup> 2021 SVM Audit, p. 60.

<sup>38</sup> *Office of Energy Infrastructure Safety Final Change Order Process*, issued October 6, 2021, p. 4.

<b>Initiative Number:</b>	7.3.5.18
	to ensure vegetation management operations are consistent with the targets stated in its WMP.

**Response No. 12:**

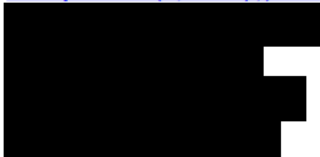
- (a) Prioritization methods used for implementing this work were to complete all vegetation maintenance activities at all sites prior to July when a typical fire season begins. In addition to Tier 3 HFTD, the prioritization list of substation mitigations was also determined by geographic conditions, elevation range, and vegetation types at each facility and not by HFTD designation alone. For example, the lower elevation sites grow vegetation quicker and earlier in the season and also dry out sooner. In many cases those sites are addressed first, even though they may be a Tier 2 HFTD site. Whereas some of the higher elevation sites that are designated as Tier 3 HFTD are still under snow in the early Spring, inaccessible and vegetation has not started to grow yet (i.e., barring external factors). In addition, there are more Tier 2 HFTD sites compared to Tier 3 HFTD sites, so more sites would get delayed treatments if the focus was solely on Tier 3 HFTD's as the highest priority. Finally, if Tier 3 sites were treated first, the maintenance work on all sites would shift to much later in the year when conditions are hotter, drier, and more prone to fire ignitions and would ultimately present a higher risk. The mitigation work at these sites were prioritized based on sound risk reduction rationale including the aforementioned examples along with the HFTD Tier designation.
- (b) See subpart (a) above for a description of how and why PG&E prioritizes transmission and hydroelectric substation maintenance in HFTD areas.
- (c) See subpart (a).

Please contact me at (925) 786-7144 if you have any questions regarding this response.

Sincerely,

Vincent Tanguay,  
Sr. Director, Regulatory Compliance, Electric  
Engineering, Planning, and Strategy

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Electric Data Requests, PG&E