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# **BY ENERGY SAFETY E-FILING**

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

# Re: Opening Comments of Pacific Gas and Electric Company to the 2023-2025 Wildfire Mitigation Plan Draft Decision Issued November 13, 2023 Docket # 2023-2025-WMPs

Dear Director Thomas Jacobs:

Pacific Gas and Electric Company (PG&E) appreciates the Office of Energy Infrastructure Safety's (Energy Safety) detailed evaluation of our 2023-2025 Wildfire Mitigation Plan (WMP) in its Draft Decision issued on November 13, 2023 (Draft Decision). We strongly support Energy Safety's approval of the 2023-2025 WMP and largely agree with Energy Safety's recommendations and will work to implement them in the manner requested.

We have, however, identified two areas that we respectfully request Energy Safety modify in its final 2023-2025 WMP decision. Specifically: (1) two of PG&E's maturity survey scores appear to have been calculated incorrectly; and (2) PG&E proposes that two Areas for Continuous Improvement (ACIs) be removed while three others be slightly modified. We address these issues below and look forward to working with Energy Safety and other stakeholders as we strive to keep our customers and communities safe from wildfire.

# I. MATURITY SURVEY

Energy Safety used the 2023-2025 Electrical Corporation Wildfire Mitigation Maturity Model and 2023 Electrical Corporation Wildfire Mitigation Maturity Survey to assess the maturity of PG&E's wildfire risk mitigation program.<sup>1</sup> PG&E identified two discrepancies in the

<sup>&</sup>lt;sup>1</sup> Draft Decision, p. 5.

maturity values presented by Energy Safety in the Draft Decision, as compared to PG&E's internal assessment:

- The Draft Decision presents lower maturity levels in Category B, Situational Awareness and Forecasting compared to PG&E's self-assessment. The Draft Decision includes scores of 0.83 in 2023 and 1.33 in 2024, 2025, and 2026 in Category B (minimum values).<sup>2</sup> However, PG&E's self-assessment included a maturity level of 1.00 in 2023 and 1.50 in the years 2024-2026.
- The Draft Decision includes a minimum score of zero for Capability 9, Wildfire spread forecasting (2023-2026).<sup>3</sup> PG&E's self-assessment for Capability 9 included a maturity level of 1.0.

PG&E respectfully requests that Energy Safety correct these scores in the final decision.

# II. AREAS FOR CONTINUED IMPROVEMENT

Energy Safety included 26 ACIs in the Draft Decision. As discussed in more detail below, PG&E proposes that Energy Safety remove ACI PG&E-23-03 because the requested data is already included in PG&E's analyses. PG&E also suggests that ACI PG&E-23-12 be removed because it potentially limits PG&E's ability to balance risk reduction with backlog tag elimination. Finally, PG&E proposes minor clarifications or modifications to ACIs PG&E-23-05, PG&E-23-07, and PG&E-23-16.

For convenience, PG&E addresses the identified ACIs below in numerical order.

A. <u>ACI PG&E-23-03</u>

ACI PG&E-23-03 requires PG&E to report on our progress developing statistical estimates of potential wind events, over at least the maximum asset life for our system. We must also evaluate results of incorporating these estimates into Wildfire Transmission Risk Model (WTRM) planning when developing our mitigation strategy or explain why this would not be an improvement to our mitigation strategy.<sup>4</sup>

<sup>&</sup>lt;sup>2</sup> Draft Decision, Table A-3, p. A-64.

<sup>&</sup>lt;sup>3</sup> Draft Decision, Figure A-2, p. A-67.

<sup>&</sup>lt;sup>4</sup> Draft Decision, p. 101.

PG&E recommends that this ACI be removed from the final 2023-2025 WMP decision because the data requested is already included in the WTRM. Our WTRM employs a fragility curve that quantifies the probability of failure for the range of winds in response to threats and hazards. The fragility curve shifts based on threats, which represent the degradation to the initial condition or strength of assets. A hazard is the forcing function that acts and can exceed the strength of the asset, which results in failure.<sup>5</sup> For the WTRM, the use of fragility curves already allows the model to estimate structural performance through a wide range of potential wind speeds (i.e. hazards) to more accurately forecast potential asset failure.<sup>6</sup>

Energy Safety states that PG&E's use of a historic, 30-year fire weather scenario as part of the WTRM is limiting because mitigation measures may last longer than 30 years and thus are likely to experience an exceedance of the 1-in-30 approach adopted by PG&E.<sup>7</sup> However, because the WTRM quantifies the probability of failure for a range of wind speeds, historic data is not a limiting factor—the WTRM determines at what wind speed an asset might be damaged whether or not it has occurred historically.

PG&E recommends that Energy Safety remove ACI PG&E-23-03 because the WTRM already accounts for potential wind events over at least the maximum asset life for our system.

### B. <u>ACI PG&E-23-05</u>

ACI PG&E-23-05 requires PG&E to provide details about our grid hardening decision making when calculating the benefits and costs of wildfire mitigations. The Draft Decision states that PG&E must provide in the 2025 WMP Update information from our Wildfire Benefit Cost Analysis (WBCA) tool. The ACI requires details on mitigation effectiveness calculations; analysis based on ignition and wildfire risk reduction, location-specific mitigation effectiveness comparisons, cumulative risk exposure taking into account the time value of risk, and details on projects driven by reliability risk as opposed to wildfire risk.<sup>8</sup>

PG&E's WBCA will not be finalized and ready for use when we submit our 2025 WMP Update in early 2024. We will begin using the WBCA to assess and rank mitigations and risks

<sup>&</sup>lt;sup>5</sup> PG&E's 2023-2025 WMP, R3, p. 152.

<sup>&</sup>lt;sup>6</sup> PG&E's 2023-2025 WMP, R3, p. 190 and Figure PG&E-6.2.2-3.

<sup>&</sup>lt;sup>7</sup> Draft Decision, p. 31.

<sup>&</sup>lt;sup>8</sup> Draft Decision, p. 102.

using a cost/benefit approach starting with our May 2024 Risk Assessment and Mitigation Phase (RAMP) submission to comply with the Risk-Based Decision-Making Framework OIR (RBDMF).<sup>9</sup> We also plan to present the benefit/cost model and mitigation selection results using this tool in our Senate Bill (SB) 884 plan that we intend to file with Energy Safety in mid-2024.<sup>10</sup> The timing of this filing and scope of the final WBCA tool is dependent upon receiving final guidelines from Energy Safety and the CPUC, which have not been issued.

Even though the WBCA itself will not be available when we file our 2025 WMP Update, PG&E can provide the information required by the ACI except for the breakdown of WBCA scores for projects driven by reliability risk as opposed to wildfire risk because the WBCA will not be available. Accordingly, PG&E requests that ACI PG&E-23-05 be modified to exclude reference to the WBCA and to remove the requirement to provide the breakdown of WBCA scores for reliability driven projects. PG&E is amenable to submitting WBCA information to Energy Safety when it becomes available, likely in mid-2024.

#### C. <u>ACI PG&E-23-07</u>

The Draft Decision states that PG&E is behind our peers in deploying new technologies, and we have not provided active plans to meet the same levels of implementation. Therefore, ACI PG&E-23-07 requires PG&E to report on the progress of our new technology pilot programs, adjust targets associated with new technologies if the pilots prove successful and PG&E is moving towards deployment, and account for new technologies when evaluating mitigations in combination as part of our decision-making progress.<sup>11</sup>

PG&E will provide a progress update for our new technologies and will adjust targets associated with new technologies if the pilots are successful. Currently, the Rapid Earth Fault Current Limiter (REFCL) pilot project at the Calistoga substation is still in the testing and evaluation stage. While PG&E is committed to continuing this demonstration project, several factors have caused delays in commissioning. Once we can successfully operate the system for an extended period, lessons learned from the pilot will be used to determine whether REFCL, in conjunction with other technologies, is a viable wildfire mitigation tool for PG&E.

<sup>&</sup>lt;sup>9</sup> Risk-Based Decision-Making Framework, Rulemaking (R.) 20-07-013.

<sup>&</sup>lt;sup>10</sup> PG&E's 2023-2025 WMP, R3, p. 420.

<sup>&</sup>lt;sup>11</sup> Draft Decision, p. 104.

PG&E will account for new technologies when evaluating mitigations in combination at the program level. However, PG&E cannot currently provide location specific effectiveness values for combinations of mitigations because the new technologies programs are not yet mature enough to support this type of analysis. Currently, there is not enough historical outage/ignition data at any single location where new technologies have been deployed to support statistically valid effectiveness calculations.

For these reasons, PG&E recommends a modification to ACI PG&E-23-07 to clarify that PG&E should evaluate these new technologies at the program level.

### D. <u>ACI PG&E-23-12</u>

ACI PG&E-23-12 asks PG&E to increase our 2025 distribution tag backlog target (GM-03) to match the estimated volume of backlog tags that PG&E plans to address during 2024-2025, as shown in TABLE PG&E-8.1.7-2 (REVISED).<sup>12</sup>

PG&E respectfully requests that Energy Safety permit PG&E to keep our current 2025 GM-03 target because it will allow us to continue to balance working higher-risk tags that have not exceeded their General Order (GO) 95 due dates while also addressing our backlog tags. Although PG&E currently plans to work the number of backlog tags identified in TABLE PG&E-8.1.7-2 (REVISED), it is not always possible to anticipate when higher-risk tags requiring priority work will need to be addressed. Maintaining the GM-03 target as less than the total backlog tag work planned for 2024 and 2025 provides PG&E the flexibility to adjust to work more, higher-risk tags while working down the existing distribution tag backlog.

PG&E is committed to addressing our distribution tag backlog according to the schedule set forth in response to RN-PG&E-23-04.<sup>13</sup> During the 2024 work planning phase, we looked at all open HFTD distribution tags, including backlog tags and new tags created in 2023, and we built our plan to address the highest-risk tags after accounting for our GM-03 target. We plan to follow this same approach in the following years (i.e., tags found in 2024 and 2025 will be included in future work plans and prioritized based on the approach described in RN-PG&E-23-04).<sup>14</sup> Once PG&E's distribution backlog targets are met, we will include higher-risk tags,

<sup>&</sup>lt;sup>12</sup> Draft Decision, p. 106.

<sup>&</sup>lt;sup>13</sup> PG&E's 2023-2025 WMP, R3, pp. 536-558.

<sup>&</sup>lt;sup>14</sup> PG&E's 2023-2025 WMP, R3, p. 543, Response to Critical Issue RN-PG&E-23-04, Remedy b(i), pp. 544-547.

regardless of when they are found, into the work plan. By leaving the distribution tag reduction targets unchanged,<sup>15</sup> PG&E will have the flexibility to address the most risk while simultaneously working to close the maintenance tag backlog.

Accordingly, PG&E requests that Energy Safety withdraw this ACI and permit PG&E to keep the 2025 GM-03 target as described in the 2023-2025 WMP.

#### E. <u>ACI PG&E-23-16</u>

ACI PG&E-23-16 states that PG&E's Wood Management program only addresses large wood generated by post-fire activities and EVM and does not consider wildfire and safety risks associated with leaving wood on site.<sup>16</sup>

PG&E respectfully disagrees with the description of the Wood Management program in the Draft Decision. PG&E does consider wildfire and safety risks associated with leaving wood on-site. Wood management is incremental to the broader management of debris generated from vegetation management programs. Debris management occurs at every property targeted for VM work, and removal of large wood under the wood management program occurs most often in the HFTD where wildfire risk is of greatest concern. PG&E and our contractors consider wildfire safety risks and property owner's concerns by removing larger materials and by chipping smaller material and either leaving it on site or removing it.

PG&E requests that Energy Safety revise ACI PG&E-23-16 to remove the reference to PG&E not considering wildfire and safety risks associated with leaving wood on site.

### **III. CONCLUSION**

PG&E appreciates this opportunity to provide feedback on the Draft Decision and looks forward to updating our base plan with the 2025 WMP update early next year. As discussed in our 2023-2025 WMP, the forecast costs for our planned wildfire mitigations are included in PG&E's Test Year 2023 General Rate Case (GRC) covering the 2023-2026 period.<sup>17</sup> On November 16, 2023, the California Public Utilities Commission (CPUC) issued its final decision on PG&E's 2023 GRC. We are still reviewing the final GRC decision to determine how it may

<sup>&</sup>lt;sup>15</sup> PG&E's 2023-2025 WMP, R3, p. 543, Table RN-PG&E-23-04-2, p. 543.

<sup>&</sup>lt;sup>16</sup> Draft Decision, p. 109.

<sup>&</sup>lt;sup>17</sup> PG&E's 2023-2025 WMP, R3, p. 408.

impact the mitigations we have described in our 2023-2025 WMP. We will update any WMP targets or program descriptions, as needed, through the Change Order process, the 2025 WMP Update, or any other process approved by Energy Safety.<sup>18</sup> PG&E also respectfully encourages Energy Safety and the CPUC to coordinate to facilitate consistency between necessary wildfire mitigations and appropriate funding under the CPUC's standards.

If you have any questions, or need any additional information, please do not hesitate to contact Wade Greenacre at <u>wade.greenacre@pge.com</u>.

Very truly yours,

/s/ Jay Leyno

<sup>&</sup>lt;sup>18</sup> PG&E's 2023-2025 WMP, R3, p. 408, fn. 137.