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COMMENTS OF THE GREEN POWER INSTITUTE ON THE DRAFT DECISION ON LIBERTY'S WILDFIRE MITIGATION PLAN

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Gregory Morris, Director Zoe Harrold, Scientist The Green Power Institute a program of the Pacific Institute 2039 Shattuck Ave., Suite 402 Berkeley, CA 94704 ph: (510) 644-2700

fax: (510) 644-1117 gmorris@emf.net

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The Green Power Institute (GPI), the renewable energy program of the Pacific Institute for Studies in Development, Environment, and Security, provides these *Comments of the Green Power Institute on the Draft Decision on Liberty's Wildfire Mitigation Plan*.

Introduction

GPI generally supports the OEIS Draft Decision on Liberty's 2023-2025 WMP. Comments include the following specific recommendations:

- OEIS Draft Documents should be searchable to support external review.
- Liberty's wildfire mitigation maturation rate should be specifically addressed with ACI.
- The Draft Decision should include a summary of Liberty's increased undergrounding targets relative to prior years and require that Liberty provide additional information regarding how risk-informed undergrounding locations are selected as part of a holistic grid hardening plan.
- LU-23-10 should be refined and should include Level 2 conditions as part of the Detailed Inspection risk assessment component.
- LU-23-11 should require separate 2024 and 2025 QA/QC targets and results.

Comments

OEIS Draft Documents should be searchable to support external review.

GPI was unable to conduct a keyword search of the Liberty 2023-2025 WMP Draft Decision using a no-cost Mac pdf viewer. Keyword search was only possible using a paid subscription version of Adobe Acrobat Pro. Similarly, we were unable to use pdf viewer highlighting in the free pdf. viewer and frequently encountered challenges with pdf. annotation in the subscription version of Adobe Acrobat Pro. GPI respectfully requests that the OEIS discontinue the use of pdf watermarks such as the "DRAFT" watermark applied to the Liberty 2023-2025 WMP Draft

Decision. This is the first instance that GPI has encountered a watermark on an OEIS draft document. In our experience the addition of watermarks hinders the use of both no-cost and paid-for pdf viewer tools when reviewing document contents. GPI recommends prioritizing that WMP filings be searchable and fully support PDF viewer annotations via both free and paid-for pdf viewer platforms to support public access, transparency, and external review.

Liberty's wildfire mitigation maturation rate should be specifically addressed with ACI.

GPI generally considers maturity survey results with caution. For example, survey questions that identify the presence of risk modeling inputs and high-level capabilities are unable to determine factors such as if the modeling methods are optimal for the application, are consistent across utilities, or whether they are appropriately applied. However, we agree with the OEIS Draft Decision that Liberty's maturity survey results for some WMP sections are concerningly low, project insufficient growth, and that its progress is stunted relative to the other SMJUs (i.e. PacifiCorp and BVES). The Draft Decision finds that Liberty's Risk Methodology and Assessment (Section 6), Wildfire Mitigation Strategy (Section 7.3), and Grid Design and System Hardening (Section 8.1) plans "...[do] not project sufficient growth in its maturity..." 1,2,3

GPI is similarly concerned that Liberty's slow rate of maturation is also impacting Liberty's Asset Inspections (Section 8.1.3) and Equipment Maintenance and Repair (Section 8.1.4) capabilities.^{4,5} While Liberty projects growth in these categories, it only achieves a maturity survey score on par with the *2023* minimum and average maturity of PacifiCorp and Bear Valley Electric Service by 2026, the last year of the 3-year plan cycle. Meaning that Liberty is developmentally 3 years, or one full WMP cycle, behind its peer utilities in these capabilities as measured by the Maturity Model Survey. The Draft Decision does acknowledge that "Liberty's current maturity level in [these capabilities] is lower than its peers...".^{6,7} However, Liberty's 3-

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¹ OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 20-22.

² OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 29-31.

³ OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 33-36.

⁴ OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 39-40.

⁵ OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 44-47.

⁶ OEIS Draft Decision on Liberty 2023-2025 WMP, p. 40.

⁷ OEIS Draft Decision on Liberty 2023-2025 WMP, p. 47.

year delay in maturity relative to its peers is concerning. GPI fears that this delay will persist through the next WMP cycle if Liberty does not set, plan for, and achieve more aggressive methodological updates that reflect current best practices for SMJU wildfire mitigation.

Liberty also projects no increase in maturity over the 3-year plan for minimum or average Vegetation Management and Inspections (Section 8.2) scores, putting it 1 to 3 years behind its peer utilities based on the Maturity Survey average and minimum scores, respectively.⁸

GPI recommends issuing one or more ACIs to directly address Liberty's 3-year developmental delays for multiple WMP capabilities. For each of the sections identified above, GPI recommends reviewing and identifying specific deficits based on maturity model survey items/questions that have the highest impact on Liberty's wildfire mitigation capabilities and in relation to its peer utilities' maturity survey-informed best practice achievements. In an ACI, require that Liberty establish maturity targets for these specific maturity survey capabilities that it is not currently planning to achieve but that other SMJUs have achieved. Alternatively, require Liberty to achieve a maturity score at or above an established maturity threshold that is based on a reasonably achievable benchmark for each capability. For example, a threshold could be set to 1 unit below the highest SMJU projected 2026 score (average and/or minimum). Liberty should be required to provide a plan for increasing capability maturity in its 2025 WMP Update. If Liberty is unable to achieve the ACI requirements by the end of the 3-year WMP cycle it should provide an explanation as to why.

Given the focus of the Draft Decisions on maturity survey results and Liberty's current maturity rankings it may be necessary to establish maturity-survey informed benchmarks in the next 3-year WMP cycle or minimally establish maturation delays as grounds for issuing ACIs. Neither Liberty nor any other Utility should be permitted to fall behind its peers' maturity rankings by a full 3-years, or the duration of a WMP cycle.

⁸ OEIS Draft Decision on Liberty 2023-2025 WMP, pp. 52-56.

The Draft Decision should include a summary of Liberty's increased undergrounding targets relative to prior years and require that Liberty provide additional information regarding how risk-informed undergrounding locations are selected as part of a holistic grid hardening plan.

The Draft Decision identifies undergrounding expenditures that meet or exceed covered conductor expenditures in Liberty's HFTD Grid Design, Operations, and Maintenance plan.

The only other material reference to undergrounding is provided in Table 8.1-1 Liberty Grid Design, Operations, and Maintenance – Selected Targets.

While Liberty has largely exchanged its covered conductor buildout plan for SRP plus traditional hardening, the potential impacts of increasing its undergrounding scope of work relative to previous years should not be ignored.

GPI recognizes that Liberty's total undergrounding goal of 3.87 miles is relatively small compared to the IOUs. However, it is proportionally significant to Liberty's grid hardening scope of work, annual grid hardening deployment rates, total projected cost, and past undergrounding targets.

The Draft Design, Operations, and Maintenance plan.

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Undergrounding is more costly and slower to implement. Liberty's diversion of infrastructure development resources to increased undergrounding targets may be influencing its decision to throttle back its covered conductor scope of work. Rule 20 projects could reduce other mitigation deployment rates and/or divert near-term grid hardening projects from higher risk locations. Undergrounding costs may have influenced Liberty's decision to adjust their scope of work from Covered Conductor to SRP plus traditional hardening.

Liberty should be required to provide quantitative and qualitative justification for its increased undergrounding targets, the RSE of the proposed risk-informed undergrounding projects compared to alternative mitigations, and their plan for ensuring that Rule 20 undergrounding projects do not defer work in higher risk-ranked locations. GPI recommends adding an ACI that requires Liberty to: (i) quantitatively and qualitatively justify its selection of wildfire risk-informed undergrounding locations; (ii) compare location-specific undergrounding mitigation

⁹ OEIS Draft Decision on Liberty 2023-2025 WMP, p. 10.

¹⁰ OEIS Draft Decision on Liberty 2023-2025 WMP, p. 33.

¹¹ TN12674_20230629T162419_GPI_Comments_on_SMJU_WMPs, pp. 31-33.

effectiveness to alternative mitigations; and (ii) clarify whether its planned Rule 20 undergrounding efforts are impacting its work force availability for deploying other long-term and/or complimentary mitigations in higher risk-ranked locations. This information is necessary to better understand whether Liberty's gird hardening approach is appropriate, which is under scrutiny given its updated scope including SRP plus traditional hardening, decreased covered conductor deployment, and increased undergrounding. IOU ratepayers should not be the only California electric utility customers that are protected from rate hikes and/or wildfire risk mitigation delays associated with undergrounding in relatively lower-risk locations.

LU-23-10 should be refined and should include Level 2 conditions as part of the Detailed Inspection risk assessment component.

GPI generally agrees with Liberty's Opening Comments which states that the following LU-23-10 requirement is not clear:

Demonstrate that its existing inspection program adequately addresses risk. This must include analysis of the following: Number of Level 1 or critical issues found during detailed inspections.¹²

In alignment with our comments on Liberty's 2023-2025 WMP, GPI also supports the Draft Decision statement that a 5-year detailed inspection interval may not adequately address risk in the highest wildfire risk locations and supports the issuance of LU-23-10.¹³¹⁴ GPI respectfully requests that OEIS refine what is envisioned for this component of LU-23-10, such as including analysis guidelines and intended outputs and outcomes. For example, it may be necessary for Liberty to conduct a risk-informed inspection pilot to inform whether its 5-year inspection cycle is able to timely identify new Level 1 and Level 2 conditions that may pose a fire risk within the HFTD. Or, for example, Liberty's relatively recent complete system inspection will have truncated their typical 5-year inspection cycle for numerous locations. It may be possible for Liberty to compare their 5-year inspection cycle data with their complete-system inspection

¹² Liberty 2023-2025 WMP Draft Decision, p. 77.

¹³ TN12674_20230629T162419_GPI_Comments_on_SMJU_WMPs, pp. 41-42.

¹⁴ Liberty 2023-2025 WMP Draft Decision, p. 44.

results to approximate the number of new Level 1 and Level 2 conditions that arose (or were originally missed) within years 1-4 since completing the prior, standard 5-year inspection.

GPI recommends including Level 2 conditions in the risk assessment in LU-23-10. GO 95 Rule 18 defines Level 2 conditions as:

Level 2:

- · Variable (non-immediate high to low) safety and/or reliability risk.
- Take action to correct within specified time period (fully repair, or by temporarily repairing and reclassifying the condition to a lower priority).

Time period for correction to be determined at the time of identification by a qualified company representative, but not to exceed: (1) six months for nonconformances that create a fire risk located in Tier 3 of the High Fire-Threat District; (2) 12 months for nonconformances that create a fire risk located in Tier 2 of the High Fire-Threat District; (3) 12 months for nonconformances that compromise worker safety; and (4) 59 months for all other Level 2 nonconformances.¹⁵

By definition, Level 2 conditions can present a high safety risk, and specifically a fire risk in the HFTD. Level 2 conditions that create a fire risk in the HFTD have remediation timelines of 6 months for Tier 3 and 12 months for Tier 2 locations. These remediation deadlines are *substantially shorter* than a 5-year detailed inspection cycle. Notably, all other Level 2 conditions have a remediation timeline of 59 months, or 4 years and 11 months, which is just shy of a 5-year detailed inspection cycle – meaning that GO 95 Rule 18 deems it acceptable for "all other Level 2" conditions to be identified and subsequently remediated on a 5-year cycle. It also means that a 5-year detailed inspection cycle may create a large gap between the time a new Level 2 fire risk condition arises and is identified, compared to the relatively short remediation timeline requirement that is established due to the risk it can present. For example, if a detailed inspection is completed in cycle year 1, and a new Level 2 condition develops in year 2, then the condition may not be identified until year 6, when a new 5-year inspection cycle is initiated. At that point the Level 2 condition and associated fire risk would have persisted for 4 years prior to identification, regardless of the finding requiring remediation within 6 or 12 months.

 $^{^{15}}$ General Order 95 Rule 18. https://ia.cpuc.ca.gov/gos/GO95/go_95_rule_18.htm.

GPI recommends expanding LU-23-10 to include Level 2 conditions in the detailed inspection cycle assessment on account of Level 2 conditions including high safety risk and fire risk conditions that require remediation within 6 or 12 months when located within HFTD Tier 3 and Tier 2, respectively.

LU-23-11 should require separate 2024 and 2025 QA/QC targets and results.

LU-23-11 "QA/QC Sample Size and Pass Rates" should require Liberty to provide a separate QA/QC target and result for 2024. Liberty explained that it required more data to determine a QA/QC target for 2024 and 2025. LU-23-11 is intended to close the QA/QC target requirement gap. At present the ACI does not specify that Liberty must set a sample size target. GPI recommends specifying that Liberty must provide a sample size target, and that it must provide a separate sample size target for both 2024 and 2025. GPI also recommends that the ACI require Liberty to establish separate 2024 and 2025 QA/QC pass rates in its 2025 WMP Update. We recognize that the 2025 WMP Update, slated for filing in 2024, will largely report on year ahead 2025 WMP activities. However, we see no reason that Liberty should aggregate 2024 and 2025 QA/QC targets or results, or "account for an appropriate increase in 2024" within the 2025 QA/QC targets. Tracking year-over-year results against QA/QC targets provides more transparency into Liberty's progress and will support cross utility comparisons. Establishing and reporting on separate 2024 and 2025 QA/QC targets and results to date within the 2025 WMP Update and other data reports should not create any review issues, though combining the targets may.

Conclusions

We respectfully submit these comments and look forward to reviewing future wildfire mitigation plans and related filings. For the reasons stated above, we urge the OEIS to adopt our recommendations herein.

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Respectfully Submitted,

Gregory Morris, Director
The Green Power Institute *a program of the Pacific Institute*2039 Shattuck Ave., Suite 402

Berkeley, CA 94704 ph: (510) 644-2700

e-mail: gmorris@emf.net