

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

**COMMENTS OF THE UTILITY REFORM NETWORK
ON THE NEXT ITERATION OF
WILDFIRE MITIGATION PLAN GUIDELINES**



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Pursuant to the Office of Energy Infrastructure Safety (“Energy Safety) March 4, 2024 Solicitation document, The Utility Reform Network (TURN) submits these comments on the next iteration of wildfire mitigation plan (WMP) guidelines.

I. THE TECHNICAL GUIDELINES SHOULD MAKE CLEAR THAT THE UTILITIES’ RISK ANALYSIS AND MITIGATION SELECTION PROCESS SHOULD MAKE USE OF THE CPUC’S FRAMEWORK ADOPTED IN DECISION 22-12-027

As Energy Safety is aware, in R.20-07-013, the CPUC modified the risk-based decision-making framework for large energy utilities in Decision (D.) 22-12-027, moving from a multi-attribute value function (MAVF)-based approach to a cost-benefit approach (CBA). The 2023-2025 Technical Guidelines acknowledge this change and state that, “in due course,” utilities’ risk and mitigation assessment must align with the framework adopted in R.20-07-013. However, the 2023-2025 Technical Guidelines further state that utilities are not required to incorporate the CBA framework in the 2023-2025 WMPs submitted in 2023.¹

The next iteration of Technical Guidelines should direct the utilities to use the CBA framework adopted in D.22-12-027 for calculating risk scores and cost-benefit ratios (CBR) in their next WMP submissions. The utilities have known about the CPUC’s modified framework since December 2022 and have had ample time to revise their risk analysis accordingly. In addition, the CPUC required the utilities to implement the modified framework in their Risk Assessment Mitigation Phase (RAMP) filings beginning in 2024.² Accordingly, at a minimum, Energy Safety should modify its discussion in Section 7.1.4.1. to require the large electric

¹ 2023-2025 WMP Technical Guidelines, p. 63, fn. 21.

² D.22-12-027, p. 63.

utilities to use the CBA to calculate risk scores and compare the cost-effectiveness of alternative mitigations.

In addition, the next Technical Guidelines would benefit from clarification in several sections that utilities are required to use the CPUC's CBA framework. These include:

- Section 6.2 (Risk Analysis Framework). The Guidelines should require a showing that the utility's risk analysis framework uses the CPUC's D.22-12-027 framework (as may be updated by the CPUC in R.20-07-013), including affirming that the utility's risk scores are calculated using that framework.
- Section 6.4 (Risk Analysis Results and Presentation). The Guidelines should direct the utilities to use the CPUC's D.22-12-027 framework (as may be updated by the CPUC in R.20-07-013) to calculate all risk scores, including segment-level scores, required in that section.
- Section 7.1.4 (Mitigation Selection Process). The Guidelines should state in each appropriate subsection within Section 7.1.4 that, when comparing mitigation alternatives, utilities are required to calculate CBRs in accordance with D.22-12-027 (as may be updated by the CPUC in R.20-07-013). For example, Section 7.1.4.2 should require CBRs at the segment or location-specific level for each mitigation alternative that was considered for the segment or location. In addition, utilities should be required to provide an explanation for each location where it chose a mitigation that did not have the highest CBR.

II. THE TECHNICAL GUIDELINES SHOULD REQUIRE UTILITIES TO SHOW THAT THEY HAVE ADDRESSED THE DIFFERENT TIMING AND SCHEDULING NEEDS OF ALTERNATIVE MITIGATIONS IN THEIR MITIGATION SELECTION PROCESS

In its decisions on the large utilities' 2023-2025 WMPs, Energy Safety required utilities to take into account the time value of risk – i.e., the fact that some mitigations may take longer to deploy than others -- when comparing mitigation alternatives. Energy Safety should include that

important expectation in its Technical Guidelines. This requirement should be stated in all appropriate subsections in Section 7.1.4, Mitigation Selection Process.

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Respectfully submitted,

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