



June 10, 2024

Via Electronic Filing

Caroline Thomas Jacobs, Director
Office of Energy Infrastructure Safety
California Natural Resources Agency
Sacramento, CA 95814
ElectricalUndergroundingPlans@energysafety.ca.gov

Subject: Public Advocates Office's Reply Comments on the Draft Guidelines for the 10-Year Electrical Undergrounding Plan (EUP)

Docket: 2023-UPs

Dear Ms. Jacobs,

The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) respectfully submits the following reply comments on the Office of Energy Infrastructure Safety's Draft Guidelines for the 10-year Undergrounding Distribution Infrastructure Plan (Plan or EUP). Please contact Nat Skinner (Nathaniel.Skinner@cpuc.ca.gov) or Henry Burton (Henry.Burton@cpuc.ca.gov) with any questions relating to these comments.

We respectfully urge the Office of Energy Infrastructure Safety to adopt the recommendations discussed herein.

Respectfully submitted,

/s/ *Nathaniel Skinner*

Nathaniel Skinner

Safety Branch Program Manager
Public Advocates Office
California Public Utilities Commission

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I. INTRODUCTION

The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) submits these reply comments in response to the Office of Energy Infrastructure Safety’s (Energy Safety) Draft Guidelines (Draft Guidelines)¹ issued May 8, 2024 pursuant to Senate Bill (SB) 884.² SB 884 authorizes large electric utilities³ (utilities) to submit ten-year plans to underground distribution lines⁴ and tasks Energy Safety and the California Public Utilities Commission (CPUC or Commission) to determine whether to approve, conditionally approve, or deny a utility’s ten year plan.⁵

PG&E has proposed that Energy Safety allow up to 20% of the wildfire mitigation elements of its projects to be overhead.⁶ In its justification of this “overhead hardening” proposal, PG&E alleges that it is reasonable to change the definition of underground projects in SB 884 to allow overhead hardening as part of a project. PG&E’s request must be rejected, as it exceeds the authority granted to Energy Safety pursuant to SB 884.

¹ Energy Safety, Draft 10-Year Electrical Undergrounding Plan Guidelines (*Undergrounding Plan*), May 8, 2024, EUP Guideline Development docket 2023-UPs.

² McGuire, Stats. 2022, Chap. 819. SB 884 is codified at Public Utilities Code § 8388.5.

³ Many of the statutory provisions in the Public Utilities Code relating to wildfires apply to “electrical corporations.” See, e.g., Public Utilities Code § 8388.5. These comments also use the more common term “utilities” to refer to the entities that must comply with the wildfire safety provisions of the Public Utilities Code.

⁴ Cal. Pub. Util. Code § 8388.5(c).

⁵ See Cal Pub. Util. Code §§ 8388.5(d), (e) and (f).

⁶ PG&E comments at 22. (“PG&E requests that the final guidelines expand the scope of the 10-year EUP to include hybrid distribution hardening (made up of 80% or greater undergrounding”).)

II. ISSUES

A. PG&E Incorrectly Suggests That SB 884 Allows Proposed Projects in an Electric Undergrounding Plan to Include Overhead Hardening

PG&E acknowledges, “SB 884 is focused on relocating overhead conductor underground...”,⁷ but nonetheless requests that the Energy Safety guidelines allow up to 20% of a project to be overhead hardening.⁸ PG&E identifies nothing in SB 884 that allows utility plans to substitute aboveground hardening for undergrounding hardening.⁹

In support of its request that Energy Safety include overhead elements in its projects, PG&E complains that waiting for the Commission’s General Rate Case to approve overhead hardening or other non-undergrounding work would delay wildfire risk reduction, and fail to improve reliability.¹⁰ PG&E’s suggestion that Energy Safety change the definition of what can be included in an undergrounding project must be denied because the request would have Energy Safety exceed its authority authorized under SB 884.¹¹ SB 884 only allows Energy Safety to approve an undergrounding plan if it substantially increases electrical reliability and substantially reduces the risk of wildfire with undergrounding projects.¹² ¹³ SB 884 does not provide Energy Safety with the authority to change an undergrounding plan to an undergrounding and overhead plan.

⁷ PG&E comments at 21.

⁸ PG&E comments at 21.

⁹ Cal Pub. Util. Code §8388.5(c)(4).

¹⁰ PG&E comments at 22-23.

¹¹ Cal. Pub. Util. Code § 8388.5(c) and (d)..

¹² Cal. Pub. Util. Code §8388.5(c)(2).

¹³ Cal. Pub. Util. Code §8388.5(d)(2).

B. If PG&E Seeks Overhead Related Cost Recovery, the Commission General Rate Case is the Correct Venue to Do That

Nor does SB 884 provide Energy Safety with the authority to effectively change cost recovery mechanisms for overhead wildfire mitigation programs. Outside of the SB 884 context, the Commission’s general rate cases are the correct venue for PG&E to seek cost recovery of overhead elements: “The commission may fix rates...for all public utilities subject to its jurisdiction”.¹⁴ If PG&E seeks cost recovery for overhead elements through its SB 884 plan, that will undermine the Commission’s jurisdiction to scrutinize utility spending through general rate cases. This in turn will hamper the Commission’s ability to effectively balance utility investment priorities between climate change adaptation and mitigation, and cost containment, which is currently the most critical issue due to California’s energy affordability crisis.

III. CONCLUSION

Cal Advocates respectfully requests that Energy Safety deny PG&E’s request to expand the scope of undergrounding projects to include overhead elements. PG&E’s request is contrary to SB 884, which prescribes the limits of Energy Safety’s mission as it relates to PG&E’s undergrounding plan.

Respectfully submitted,

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¹⁴ California Constitution Article XII, Section 6.