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Via Office of Energy Infrastructure Safety E-Filing

Caroline Thomas Jacobs, Director
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Re: PG&E Comments on Final Independent Evaluator Annual Report on Compliance for PG&E's 2023 Wildfire Mitigation Plan (Docket No. 2024-IE)

Dear Director Thomas Jacobs:

Pacific Gas and Electric Company (PG&E) respectfully submits these comments on the *Final Independent Evaluator(IE) Annual Report on Compliance* (ARC) for PG&E's 2023 Wildfire Mitigation Plan (IE Report) from Bureau Veritas North America, Inc. (BVNA or the IE).

1. Executive Summary

We appreciate the significant effort that BVNA put into preparing this report and assessing the work performed as part of our 2023 Wildfire Mitigation Plan (WMP). In performing its audit, BVNA reviewed publicly available documents, propounded approximately 117 data requests, conducted three interviews with PG&E employees, and completed hundreds of field assessments. BVNA made several findings in the IE Report, and we view each of these findings as a chance to continue to improve our wildfire mitigation efforts.

The findings in the IE Report demonstrate our continued progress in the performance of our wildfire mitigation work. We are proud of BVNA's conclusion that, "based on their overall evaluation of the IE process with in-depth reviews of PG&E's 2023 WMP list of initiatives, BVNA has determined that PG&E has met their 2023 WMP goals of reducing the risk of wildfires in the communities it serves."[1] We are also proud of BVNA's statement that "PG&E has

[1] IE Report (Jun. 30, 2024) at 130.

embraced the challenges of complying with statewide wildfire mitigation regulations set forth by Energy Safety and the participation in the IE process."[2]

We continue to develop strong working relationships with regulators, communities, other utilities, and industry experts to better understand wildfire risk and work hard to instill a sense of urgency in all our wildfire mitigation efforts. Therefore, we appreciate that BVNA observed that "in the previous year that reportable ignitions in the High Fire Threat Districts (HFTDs) and High Fire Risk Areas (HFRAs) within PG&E's overall service area was reduced by outcomes of initiatives such as Enhanced Powerline Safety Settings (EPSS) and Undergrounding."[3]

BVNA also acknowledged that our "2023 WMP demonstrates lessons learned from previous years efforts in wildfire mitigation with statistical data and detailed descriptions of mitigation measures and it continues to strive to improve their efforts to reduce wildfire ignition risk by improving existing programs and implementing newer technologies."[4]

After conducting a detailed review of our 2023 WMP activities, BVNA found that we met our goals for all 63 initiatives in the WMP, consistent with what we reported in our 2023 WMP ARC.[5] This included numerous areas where we exceeded our 2023 goals such as:[6]

Program	Section	PG&E Target	PG&E Actual
System Hardening - Distribution	8.1.2.1 – GH-01	420 circuit miles of work	446.5 circuit miles of work
10K Undergrounding	8.1.2.2 – GH-04	350 circuit miles of work	363.9 circuit miles of work
EPSS – Down Conductor Detection	8.1.2.10.1 – GM-06	500 units made capable	720 units made capable
Non- Exempt Expulsion Fuse- Removal	8.1.2.10.5 – GH-10	3,000 fuses removed	3,080 fuses removed
Pole Clearing Program	8.2.3.1 – VM-02	77,503 poles inspected, cleared, and maintained	79,882 poles inspected, cleared, and maintained
Tree Removal	8.2.2.2.4 – VM-04	15,000 trees mitigated	35,760 trees mitigated

[2] *Id*. at 5.
[3] *Id*. at 4.
[4] *Id*. at 5.
[5] *Id*. at 130.
[6] *Id*. at 12.

In the IE Report, BVNA did not find any instances of non-compliance in our 2023 WMP. However, BVNA identified areas of concern in a few initiatives that BVNA determined did not rise to the level of potential non-compliance. We view these findings as areas for continued improvement. In Section 2 of this response, PG&E explains the actions it is taking to respond to each of these observations. Finally, in Section 3 of this response, we discuss additional information relating to the funding of our 2023 WMP highlighted in the IE Report.

2. Issues Raised in the IE Report

The issues below were identified in the IE Report but were determined by BVNA not to rise to the level of non-compliance with our 2023 WMP. Despite these not being compliance issues, we address these issues below because they represent areas for continuous improvement.

a. Location Inaccuracies in Data Provided

As part of the auditing process, BVNA identified four work locations (out of more than 1,000 locations sampled) that it determined to be 75 or more feet from the GPS coordinates in initiatives GH-08, GH-10, and VM-02. We reviewed the identified work locations and concluded that the location we provided was sourced from job packages and other field collection activities that describe the general location of where work was performed. Completed job packages must undergo several processing steps including clerical review, processing, and paperwork scanning. Sometimes complete job packages require additional information from the field or post-estimating work. Until a project is completed, validated, and mapped, all detailed information remains in the design systems and in paper job packages, which can lead to locational discrepancies.

We acknowledge these four inaccuracies but note that they represent less than 0.4% of the total locations sampled for these initiatives. Additionally, we note that we are constantly implementing process improvements to correct the locational accuracy of our data. For instance, for the remaining remediation work in 2024, PG&E updated the latitude/longitude attributes on surge arrester notifications using the geospatial coordinates on the pole with the SAP ID. This is expected to improve location accuracy. We also migrated the Vegetation Clearance (VC) program over to the OneVM platform, which maps all VC poles to the corresponding PG&E SAP ID and matches the associated attributes from the PG&E system of record, including latitude/longitude information. Additionally, PG&E uses an SAP Equipment ID internally as the primary coordinate followed by latitude/longitude and street address to avoid any discrepancies in the system.

b. GH-10 – Non-Exempt Expulsion Fuse – Removal – 8.1.2.10.5

BVNA sampled and verified 192 out of 194 non-exempt expulsion fuse replacement locations to be replaced with exempt equipment.

- One structure had no fuses on pole, only fault indicators.[7]

PG&E replaced the two non-exempt expulsion fuses in 2023 with two exempt fuses under PM #31633109, which met the program scope. Since then, the system was reconfigured due to safety

[7] *Id*. at 5.

and reliability issues—based on the project need—such that the fuses were no longer necessary at that location. The exempt fuses installed in 2023 were removed, which met the program's WMP goal since the non-exempt expulsion fuses were removed from PG&E's system.

- One structure had solid blade disconnects installed on the pole.[8]

PG&E removed the non-exempt expulsion fuse in 2023 and installed solid blades and fault indicators under PM #31637333. Per PG&E Standard TD-015225-B011, solid blade cutouts can be installed when replacing a non-exempt fuse for line protection in High Fire Threat Districts (HFTDs) and High Fire Risk Areas (HFRAs) as they provide operational flexibility for the system to isolate or reconfigure a circuit. Therefore, the current state meets the program goal as the non-exempt expulsion fuse had been removed from the PG&E system.

- The location of one structure does not match the coordinates provided. The structure is approximately 500 feet to the north of the coordinates.[9]

Please see Section 2(a) above, which describes our work to correct locational inaccuracies.

c. AI-02 – Detailed Inspection Transmission – Ground – 8.1.3.1.1

In reviewing our documentation for inspection transmission BVNA found:

- Out of 159 sites reviewed a total of 21 inspection reports have pole markers that do not match the identifier in the report, however, the markers appear to be of an older style and have not been updated with the current structure ID. A single report was identified where no structure existed at the location, but the report showed it still was in the system as of last year.[10]

We reviewed BVNA's findings and determined that we agree with this finding on three of the 21 inspection sites. For those three inspection reports, we created LC tags for the markers to be fixed as the corrective action. However, the rest of the 18 notifications have A, B, and C in the photo of the structure numbers because they are a part of three structure poles and help us to distinguish between them. Thus, this is intentional and beneficial. The one report identified—where no structure existed in the location—was deconstructed and removed, and the comments were updated on the inspection form to show the same.

d. AI-04- Detailed Inspection Transmission – Aerial- 8.1.3.1.2

During BVNA's review of 158 reports requested, BVNA concluded:

[8] *Id*. at 5.
[9] *Id*. at 32.
[10] *Id*. at 36.

- One report number from the list of 158 reports requested did not match with the report sent for review.[11]

We reviewed BVNA's finding and determined that the document provided to the IE was the correct document, but the file was incorrectly named after the structure #44558457 instead of the SAP ID #44559008. The file has been renamed and the error has been corrected.

e. AI-05- Detailed Inspection Transmission – Climbing- 8.1.3.1.3

BVNA's audit of 63 reports on randomized locations determined:

- One instance where the report review noted a bird's nest in the photo documentation, whereas the report written section indicated no bird's nest was present.[12]

PG&E agrees with this finding. The bird's nest is visible in the inspection photo #41196430. On August 1, 2024, we sent an Inspection Review Specialist (IRS) to the site to validate existing condition. Notification #129320542 has been created to remove the nest.

- One instance where the photo of the structure identification did not align with the equipment identification number in the report.[13]

PG&E disagrees with this finding. The pole numbering methodology for inspection form #40867176 is appropriate and matches 017/119.

- An additional location was noted where all photos were too blurry to determine compliance.[14]

PG&E agrees with this finding. The photo quality in the inspection form #40765362 appears low quality due to the size of photo in the inspection form provided. Clicking on the inspection photos within our systems gives visibility to the full-sized, uncompressed images, however, this full-sized photo was inadvertently not provided to BVNA.

f. AI-07- Detailed Ground Inspections - Distribution- 8.1.3.2.1

In its evaluation of 400 sites where inspections were performed, BVNA found:

- Two instances of no pole tag photo with no EC noted.[15]

PG&E disagrees with this finding. For the two poles that do not have a bar code affixed, we follow our 2023 PG&E GM-022168 Standard: Marking, Numbering, and Identification of Line Structures. On page 27 of this Standard, PG&E adds and records pole numbers when the pole is

[11] *Id*. at 37.
[12] *Id*. at 39.
[13] *Id*. at 39.
[14] *Id*. at 39.
[15] *Id*. at 41.

either installed new or replaced. Per our TD-2305M-JA02 2023 Overhead Assessment Job Aid, there is no requirement that bar codes be installed during inspections.

- One instance of vegetation growth on the pole clearly shown in a report photo and not noted in the report.[16]

PG&E disagrees with the finding, as per the GO-165 guideline there was no compelling issue at the time of the inspection.

- One instance where no issues were noted in the report, but a photo showed a guy installation issue that appeared to be copied from another report.[17]

PG&E agrees with this finding. The photo used in report #104183184 is a duplicate of the guy installation from report #102216646 and the location is the same for both reports. Inspection report #102216646 was created first, while the ad hoc report #104183184 was created later at the same location to perform the inspection of the anchored connection to the tree while on-site, due to the tree connection not being haloed.

g. GM-02- HFTD-HFRA Open Tag Reduction - Transmission- 8.1.7.1

During BVNA's review of 157 reports requested, BVNA found:

- One report, number LC# 120745861, did not match the report sent for review.[18]

PG&E reviewed the findings and determined that we inadvertently uploaded and sent document LC# 120742779 to BVNA rather than document LC# 120745861.

- One report's status on the spreadsheet did not match the final status on the LC #123798956.[19]

PG&E agrees with this finding and notes that the tag had previously been marked to have its status downgraded, but that the tag was eventually cancelled and approved for deletion. The spreadsheet provided by PG&E did not match the most recent status of the tag.

- One report did not note that the work was completed and that the tag was closed or removed; however, a photo was attached to the file showing some completed work. Unable to verify the tag is closed out.[20]

PG&E agrees that the photograph included in the closure documentation for notification #123042197 does not clearly show whether the vegetation shown in the aerial inspection

[16] *Id*. at 41.
[17] *Id*. at 41.
[18] *Id*. At 46.
[19] *Id*. At 46.
[20] *Id*. At 46.

photographs had been cleared from the tower. The photograph of the original condition as discovered by an aerial inspection shows branches growing into one of the tower legs. The photograph of the completed work shows branches that had been cut lying on the ground, but does not show the tower. A ground inspection performed on March 26, 2024, specified "No Vegetation conditions requiring corrective action" and inspection photographs of the leg with the telecom attachment cables, where branches were shown in the original notification, confirm that the vegetation has been removed.

- DRU13283 noted 762 tags were exempted due to external factors with new dates for 2024, therefore reducing the data response to 16,069.[21]

PG&E agrees with this statement. 762 notifications were exempted due to external factors, in accordance with Section 7.2.1 of the WMP, which states that "all targets and objectives in the below Revised Table 7-3-1 and Revised Table 7-3-2 are subject to External Factors which represent reasonable circumstances which may impact execution against targets or objectives." Energy Safety was apprised of this development.

- Five reports were incomplete/open with a completion date marked for 2024; however, each of these received a Field Safety Reassessment (FSR).[22]

This statement by BVNA is correct. These notifications were open at the end of 2023 and were part of the population of tags exempted due to external factors and scheduled for completion in 2024. Notifications are inspected via the FSR process when past their Required End Dates or when open notifications are reassessed during an inspection. This is consistent with our processes and allows us to escalate the priority of tags when conditions deteriorate.

h. VM-01 LiDAR Data Collection - Transmission- 8.2.2.1.1

BVNA reviewed a sample of 162.92 circuit miles of the Transmission System and no issues were identified, although there is a 75.7 circuit mile difference between the total reported in the Q4 QDR and the documentation provided in the response to the Data Request.[23]

As noted in the 2023 PG&E ARC, submitted on April 2, 2024, and updated on April 25, 2024, the final annual value for this work was updated to 17,816.6 circuit miles as a result of data validation, SAP transaction processing, and/or clerical work inputting data.[24]

VM-13 - Routine Transmission – Ground

There was a slight discrepancy in the total mileage provided in this workbook for inspections completed. The Summary tab indicates a total of 18,172.0 circuit miles while the

[21] *Id*. At 46.
[22] *Id*. At 46.
[23] *Id*. At 48-49.
[24] *See* PG&E 2023 WMP ARC at 1. Please note that PG&E inadvertently transposed the numbers on page 32 of the 2023 WMP ARC, Revision 1, submitted on April 25, 2024, such that the final number of circuit miles should be 17,816.6 instead of 17,741.

18172.0_SystemLineItems tab indicates a total of 18,171.75 circuit miles. The discrepancy may be attributed to rounding on the Summary tab.[25]

PG&E does not agree with the total of 18,171.75 circuit miles. Our worksheet shows 18,172.0 miles completed in the summary section and 18172.02 miles completed in the system line tab in the data request response "DRU 13274," which was submitted on April 24, 2024. PG&E does agree that the number of circuit miles reported in the worksheet and the system line tab is slightly different than 18,172.4 circuit miles as PG&E reported in the 2023 Q4 QDR and it is due to a rounding error between data sheets.

VM 16 – Distribution Routine Patrol

The slight discrepancy between this number and what PG&E reported in the 2023 Q4 QDR may be attributed to a rounding error.[26]

Description	2023 Target	2023 Q4 QDR	DRU13292 Response	Summary
Routine Patrol – Distribution	79,000 Circuit Miles	79,950.2 Circuit Miles	79,950.28 Circuit Miles	Target Met/ Exceeded by 950.28 Circuit Miles

PG&E agrees with this discrepancy. The discrepancy between the 2023 Q4 QDR and the number of circuit miles reported in DRU13292 is due to a rounding error.

3. WMP Funding

BVNA assessed the funding activity for our 2023 WMP.[27] The IE Report focused on specific areas where BVNA noted that the amount of funding spent was lower than the forecasted amount in 54 initiatives. In response to BVNA's requests, we provided additional written detail for specific items and met with BVNA to discuss our cost model. Though BVNA did not note any instances of non-compliance in the amount of funding spent, we wanted to highlight some of the details around PG&E's funding. The analysis performed as part of the IE audit is a variance analysis illustrating how the assumptions around work plan and unit cost drivers made when preparing the 2023 WMP compared to the actual drivers that factored into the 2023 recorded spend. Although differences in spending can indicate that we did not use all our resources to meet the initiatives PG&E set forth, the differences were driven by financial and work plan factors. These factors include efficiencies in work performance, favorable environmental conditions, timing, strategy, risk assessment, and lower by unit cost. Our ability to meet all 63 targets and objectives this year is a clear representation of favorable cost reductions within some of our initiatives.

Overall, we would like to note that PG&E spent approximately $5.2 billion on wildfire mitigation work as part of our 2023 WMP, which was more than the approximate $5.1 billion that we

[25] *Id*. At 49.
[26] *Id*. At 51.
[27] *Id*. at 94-111.

forecasted.[28] This is a 3% increase from the forecast to the actual spending, representing that all cases of underspending are a result of efficiencies/fewer events, and nothing is indicative of an inability to meet our targets. PG&E complied with its spending requirements and, for some initiatives, came in under budget and realized savings. PG&E will continue to find efficiencies wherever possible, but never at the cost of program effectiveness or the ability to meet a target.

4. Conclusion

We are pleased that BVNA's overall findings demonstrate our commitment to wildfire mitigation. We take seriously the report's conclusions and have implemented corrective action plans to address the specific items identified above, as well as to make organizational improvements to prevent the recurrence of these issues. We look forward to continuing our work with Energy Safety and the Independent Evaluator to achieve our goal of ending catastrophic wildfires.

Very truly yours,

/s/ Vince Tanguay

Vince Tanguay

[28] *Id*. at 308-315.