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

Office of Energy Infrastructure Safety Natural Resources Agency

# COMMENTS OF THE GREEN POWER INSTITUTE ON THE DRAFT DECISION ON SCE'S 2025 WILDFIRE MITIGATION PLAN UPDATE

September 11, 2024

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

## COMMENTS OF THE GREEN POWER INSTITUTE ON THE DRAFT DECISION ON SCE'S 2025 WILDFIRE MITIGATION PLAN UPDATE

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 SCE's 2025 Wildfire Mitigation Plan Update*.

#### Introduction

GPI reviewed the OEIS Draft Decision on SCE's 2025 WMP Update with a focus on technical revisions as well as opportunities for additional, improved utility guidance. Our comments and recommendations address the following topics:

- 1. Recommended technical revisions to the Draft Decision on SCE's 2025 WMP Update.
- 2. Inconsistency between SCE-22B-12 response sufficiency and persistently low Maturity survey scores may indicate a need to validate the Maturity Survey design.
- 3. Strengthen SCE-25U-01 to require a risk model pilot based on probablistic distributions.
- 4. The Draft Decision misses multiple opportunities to clarify reporting expectations for the forthcoming 2026-2028 WMP filing that could substantially improve WMP quality and efficient review.

#### **Comments**

- 1. Recommended technical revisions to the Draft Decision on SCE's 2025 WMP Update.
  - 1.1. The Draft Decision Executive Summary should provide a congruent summary of areas that can be further developed or improved.

The Executive Summary provides a summary of SCE's strength areas based on the 2025 WMP Update. The same section only states that there are 11 areas where SCE can improve without providing a summary of what those areas are and why they are critical to cost effective utility

wildfire mitigation according to current best practices.<sup>1</sup> This incongruency in Plan strength versus weakness summaries reduces public transparency and weighs in favor of utility strengths. We are primarily concerned that this incongruency masks transparency of Plan weaknesses for the public, whose engagement may be more limited to reviewing filing summaries versus the entirely of the 82-page Draft Decision. GPI recommends updating the Executive Summary to include a congruent and more transparent summary of SCE's Plan areas for improvement, instead of only highlighting plan strengths.

#### 1.2. Provide a record of consultation with CalFIRE and cite CalFire input.

While the Decision may be the sole action of the OEIS, stakeholder engagement serves an important role in the WMP development process by transparently soliciting and integrating external reviews and recommendations. CalFIRE is one such stakeholder. However, CalFIRE consultation has a higher bar compared to other stakeholders in that its consultation is required by law according to Public Utilities Code section 8386.3(a).<sup>2</sup> GPI is appreciative that the OEIS continues to source and integrate feedback from CalFIRE into the WMP review and Decision process in alignment with the statutory requirement. However, since CalFIRE is separate from the OEIS and does not file comments on the WMP review or development process, therefore there is no record of CalFIRE input or OEIS integration of CalFIRE input. The delivery method, content, and outcomes of CalFIRE consultation on the WMP process are opaque, and it cannot be confirmed whether, when, or how an information exchange occurred.

Comments filed by the California Natural Resources Agency, Department of Fish and Wildlife (CDFW) sets a precedent for state agencies to engage in the WMP review and development process through transparent filings that contain agency-specific recommendations. Similarly, the Wildfire Safety Advisory Board, statutorily created through AB 1054, files formal recommendations on WMP development that OEIS reviews. Subsequent OEIS Decisions inform the public whether comments and recommendations are included in WMP development and actions (e.g. as plan Decisions, ACI, Revisions Notices, WMP process development, etc.). CalFIRE input and OEIS review and adoption should follow the same transparent, public-facing

\_

<sup>&</sup>lt;sup>1</sup> OEIS Draft Decision on SCE's 2025 WMP Update, August 21, 2024. p. 1.

<sup>&</sup>lt;sup>2</sup> Ibid. p. 2.

process. GPI strongly recommends that future WMP development, review, and approval cycles include public CalFIRE comments that create traceable inputs and OEIS adoption decisions. Statutory consultation from CalFIRE on the WMPs should not be exempt from the existing transparent comment, review, and adoption processes guiding WMP development.

## 2. Inconsistency between SCE-22B-12 response sufficiency and persistently low Maturity survey scores may indicate a need to validate the Maturity Survey design.

SCE's response to SCE-23B-12 "Asset Maintenance and Repair Maturity Level Growth," is deemed sufficient to close the ACI. SCE's response explains existing and recently implemented methods (i.e. added in 2023) that address "how its maintenance programs will account for PSPS risk and asset usage when establishing maintenance frequency." The OEIS determination that SCE has sufficiently addressed the ACI and its methods are therefore acceptable is incongruent with the apparently ACI triggering and persistent Maturity Survey capability 15 score for "Asset Maintenance and Repair." SCE's Maturity model capability 15 Asset Maintenance and Repair minimum and average scores are relatively low according to SCE responses in 2024.<sup>3</sup> The minimum score is 0 in 2023-2024 and increases to 1 in 2025-2026. The average score increases from 1.5 in 2023-2024 to 2.5 in 2025-2026. No change in capability maturity is recorded from SCE's responses in 2023 to 2024. For OEIS to separately deem SCE's existing methods adequate, and for SCE's Capability 15 scores to remain unchanged and relatively low, suggests that the Maturity survey may not necessarily be capable of accurately identifying sub-standard versus "sufficient" "Asset and Maintenance Repair" method maturity. It appears that SCE's "asset and maintenance repair" program and methods may remain in a sort of limbo, with OEIS deeming the existing method as sufficient, while the Maturity Survey continues to reflect substantive room for improvement. This may be another indication that the Maturity Survey is limited in its ability to correctly identify WMP development factors, such as whether utilities are applying current best practices and core capabilities have sufficiently matured. We therefore reiterate our prior recommendations to "Validate, update, and assess the operationalization value of the Maturity Model Survey."4

-

<sup>&</sup>lt;sup>3</sup> Ibid. p. A-16.

<sup>&</sup>lt;sup>4</sup> GPI Comments on the Next Iteration of WMP Guidelines, April 5, 2024. pp. 5-13.

### 3. Strengthen SCE-25U-01 to require a risk model pilot based on probablistic distributions.

GPI appreciated the decision to include the updated ACI SCE-25U-01, "Calculating Risk Scores Using Maximum Consequence Values". GPI recommends strengthening the language in this ACI to promote action on SCEs part. The ACI as currently worded leaves room for interpretation what could be construed as *optional* alternative risk model method piloting and result reporting. GPI recommends the following revisions (additions underlined in blue, deletions are strikethrough in red):

#### SCE-25U-01. Calculating Risk Scores Using Maximum Consequence Values

- Description: SCE continues to use maximum consequence values, as opposed to probability distributions, to aggregate risk scores. While this is acceptable for the time being, as modeling advances, SCE needs to continue exploring use of probability distributions.
- Required Progress: In its 2026-2028 Base WMP, SCE must provide an update on how SCE is continuing to evaluate use of probability distributions and probabilistic models opposed to maximum consequence. This must include:
  - Analysis performed by SCE on where and how to implement probability distributions into its risk models.
  - Continued exploration of probabilistic distributions, including Conduct and report on one
    or more piloting planning risk model pilots that apply probability distributions in place of
    maximum consequence and comparing provide a comparison of results for its risk
    assessment strategy that includes but is not limited to any resulting changes to wildfire
    risk tranche designations and associated risk mitigation approach.
  - Analysis performed on evaluating additional wildfire simulations and weather scenarios, as described in its 2025 WMP Update.
  - An update on any changes made to SCE's models and associated impacts relating to use
    of probability distributions as a result of CPUC's Phase 3 Decision for risk-based
    decision-making frameworks.
  - Analysis performed by SCE on where and how to implement probability distributions into its risk models.
  - A description for of any additional steps SCE is taking to explore the use of probability distributions in the future.

4. The Draft Decision misses multiple opportunities to clarify reporting expectations for the forthcoming 2026-2028 WMP filing that could substantially improve WMP quality and efficient review.

Party comments on the Group 1 2025 WMP Updates provide recommendations that would improve the quality and completeness of the forthcoming 2026-2028 "Base" WMPs. e.g.5 Annual WMP filings for the first 3-year WMP cycle on the new, year-ahead filing schedule will come to a close with OEIS Decisions on the 2025 WMP Updates. The shift to year-ahead WMP filings required a 2-year truncated filing schedule for the 2023-2025 WMP cycle that is cut short by the next 3-year, 2026-2028 "Base" WMP filing in 2025. This allows for a shorter interval between Base WMP filings at a time when Utility planning continues to undergo substantive changes to critical WMP elements. The 2025 WMP Update Decisions therefore mark an opportunity for the OEIS to provide additional reporting guidance for individual Utilities in their 2026-2028 WMPs.

2026-2028 WMP reporting recommendations may not fall neatly into the category of reportable changes per the 2025 WMP Update, or necessarily qualify as ACI at this time. For example, GPI recommended separate reporting of compliance and strive targets and costs in SCE's 2025 WMP.<sup>6</sup> While not required as a revision to SCE's 2025 WMP Update, this adjustment ought to be recommended in the 2025 WMP Update Decision for the 2026-2028 WMP filing to improve transparency. In another example, while the Draft Decision elects to accept SCE's reduced REFCL target, it does not provide any additional guidance on future reporting expectations for lessons learned or barrier mitigation strategies.<sup>7,8</sup> This is a missed opportunity. WMP development is ongoing and cannot be neatly constrained to 3-year WMP cycles. Providing guidance in the 2025 WMP Decision on what to include in the 2026-2028 WMP that is specifically relevant to SCE's WMP and programs therein could improve Base Plan comprehensiveness and facilitate an efficient review process. It is also in keeping with the objective of supporting continued WMP maturation, and would improve the value of the Draft Decision as well as depth of the Energy Safety evaluation.

<sup>&</sup>lt;sup>5</sup> GPI Comments on the Group 1 2025 WMP Updates, May 7, 2024. pp. 19-20.

<sup>&</sup>lt;sup>6</sup> Ibid. pp. 22-23.

<sup>&</sup>lt;sup>7</sup> OEIS Draft Decision on SCE's 2025 WMP Update, August 21, 2024. p. 27.

<sup>&</sup>lt;sup>8</sup> GPI Comments on the Group 1 2025 WMP Updates, May 7, 2024. pp. 19-20.

This type of utility-specific guidance for the 2026-2028 WMP filing cannot be readily supplanted by formulaic Base WMP Guidelines and requirements. WMP reporting Guidelines are generalized and apply to all utilities without regard for utility-specific programs or stages of development and plan maturity. One example of this is the 2023-2025 WMP Decisions that find the IOUs complied with the environmental compliance and permitting section, while CDFW finds persistent narration gaps unique to each utility. e.g. 9,10 Again, these recommendations do not fall under the purview of what qualifies as a reportable change in the 2025 WMP Updates nor do they fall under the current criteria for creating an ACI Update per 2025 WMP Update reporting requirements. These types of IOU-specific reporting improvements will also not be addressed through universal Plan guidelines.

Providing utility-specific guidance on what to include in the 2026-2028 WMP filings as it relates to ongoing WMP programs and development would likely improve the quality of Base WMPs prior to the review phase. It could also help to reduce the number of data requests required to acquire necessary information, reduce the likelihood of a Revision Notice, reduce the number of ACIs, and could overall provide utilities with helpful guidance that improves the plan review process and efficiency.

GPI recommends that the 2025 WMP Update Decisions be expanded to include additional utility-specific guidance on information to include in the forthcoming 2026-2028 WMPs. These recommendations can be distinct from ACI and can be geared towards guiding Base WMP completeness and quality that will improve the WMP review process for in-development WMP programs and capabilities (e.g. risk modeling). This additional guidance would improve the impact of the Draft Decision by supporting continued WMP development.

#### **Conclusion**

We urge the OEIS to adopt our recommendations herein.

<sup>&</sup>lt;sup>9</sup> CDFW Comments on Southern California Edison's 2025 Wildfire Mitigation Plan Update, May 3, 2024.

<sup>&</sup>lt;sup>10</sup> CDFW San Diego Gas & Electric's 2025 Wildfire Mitigation Plan Update, May 3, 2024.

Dated September 11, 2024.

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