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BY ENERGY SAFETY E-FILING

Tony Marino
Acting Deputy Director, Electric Infrastructure Directorate
Office of Energy Infrastructure Safety
California Natural Resources Agency
715 P Street, 20th Floor
Sacramento, CA 95814

Re: Pacific Gas and Electric Company's Reply Comments on the Office of Energy Infrastructure Safety's Draft 2026-2028 Wildfire Mitigation Plan Guidelines

Docket #WMP-Guidelines

Dear Deputy Director Marino:

Pursuant to the instructions in the Office of Energy Infrastructure Safety's ("Energy Safety") November 12, 2024 letter, Pacific Gas and Electric Company ("PG&E") submits the following reply comments on the Draft 2026-2028 Wildfire Mitigation Plan ("WMP") Guidelines Package 1 ("Guidelines").

I. The Utilities All Agree that There Must Be a Process that Will Provide Timely Feedback on the Compliance Impacts of Changes to WMPs

All three commenting utilities appreciate the proposed petition to amend process but agree that, alone, it does not allow for timely feedback from Energy Safety as to whether a proposed change is acceptable or will be considered a compliance violation. San Diego Gas & Electric Company ("SDG&E") "is concerned that the uncertainty arising from deferring these issues to an after-the-fact compliance analysis would disincentivize changes to WMP programs that might result in additional risk reduction and savings to ratepayers." Southern California Edison Company ("SCE") states that the proposed process "would create unreasonable uncertainty for the utilities, as it would not allow timely regulatory input from Energy Safety on the permissibility of target changes." Thus, each large utility urges Energy Safety to reinstate a process similar to the current change order process that would include timely feedback from Energy Safety.

¹ PG&E Opening Comments on the Draft Guidelines (Dec. 6, 2024) at 1-2; SCE Opening Comments on the Draft Guidelines (Dec. 6, 2024) at 1-2; and SDG&E Opening Comments on the Draft Guidelines (Dec. 6, 2024) at 4-5.

² SDG&E Opening Comments on the Draft Guidelines at 4.

³ SCE Opening Comments on the Draft Guidelines at 2.

Additionally, PG&E agrees with SDG&E that the reinstated change order process should "be subject to traditional due process rules which allow for issuance of a draft decision, party comments and then a final decision." Furthermore, PG&E recommends that the reinstated change order process specifically allow for coordination with any decision arising out of Energy Safety's Electric Undergrounding Proceeding to avoid conflicting requirements or decisions in the two proceedings. Without timely feedback from Energy Safety, and given the rapidly evolving wildfire mitigation landscape, the utilities could unwittingly end up with compliance violations that continue for multiple years, until they receive feedback in the Energy Safety Annual Reports on Compliance.

II. Consideration Must Be Given to the Already Large Size and Scope of the WMP Before Adding Additional Requirements

The Public Advocates Office ("Cal Advocates") proposes to expand the WMP by requiring significant additional information that is available in other reports or proceedings. Before adding any additional requirements to the Final Guidelines, we urge Energy Safety to keep in mind the extensive size and scope of the WMP as currently proposed. The most recent base WMPs for PG&E, SDG&E, and SCE each exceeded 900 pages. Yet, despite this, Cal Advocates argues that Energy Safety should adopt multiple new requirements that would significantly increase the size of the WMP and the amount of work necessary to prepare the document. On the other hand, the Green Power Institute ("GPI") urges Energy Safety to remain mindful that any new filing requirements "be implemented efficiently to manage filing scope creep for the already gargantuan Base WMP filing requirement and overlapping QDR⁵ requirements." We agree with GPI that any changes or additional requirements should be implemented in an efficient manner to maintain the focus of the WMP on the areas that matter most.

Similarly, some suggestions proposed by Cal Advocates would be better handled on a case-by-case basis, rather than a blanket requirement that would significantly increase the complexity of the WMP. For example, adding to the WMP hundreds of additional footnotes and metadata is more appropriately requested on an as-needed basis through discovery rather than a uniform mandate. In that same vein, the provision of raw data to support the hundreds of graphs, maps and figures in each WMP is best obtained through data requests as needed, given the massive size and scope of data at issue, as well as the limited probative value of providing this data for every single item. 8

However, if Energy Safety revises the guidelines in a manner that would require substantial additional information, Energy Safety should provide additional time to implement those new requirements in the WMP schedule. This is particularly true if a pre-submission is

⁴ SDG&E Opening Comments on the Draft Guidelines at 5.

⁵ Quarterly Data Report.

⁶ GPI Opening Comments on the Draft Guidelines (Dec. 6, 2024) at 3.

⁷ Cal Advocates Opening Comments on the Draft Guidelines at 9.

⁸ Cal Advocates Opening Comments on the Draft Guidelines at 9.

being contemplated, since the utilities cannot make changes to their WMPs after that point, aside from correcting errors identified in the pre-submission process. Substantial changes appearing in Final Guidelines released in late December would be challenging to implement in a pre-submission that is due in early to mid-February, as was the most recent pre-submission.

III. Staggering the Utilities' 2026 WMPs Is Not Practical Given the Timing of the Upcoming Submission

Cal Advocates proposes to modify the WMP schedule so that half of the utilities submit three-year base WMPs for the 2026-2028 period and the other half submit only annual updates for 2026. The utilities that submitted annual updates in 2026 would then submit three-year base WMPs for 2027-2029 the following year. There are both benefits and drawbacks to staggering the submission of the utilities' base WMPs, as proposed by Cal Advocates, but implementing this drastic change for the 2026 WMP would not be practical at this late date. We are neutral on the idea of staggering base WMPs as a whole but note that implementing this concept for the upcoming filings would not provide sufficient time for Energy Safety to create new guidelines and the utilities to implement the changes in those guidelines. Furthermore, implementing this staggering plan for the 2026 WMP could potentially be construed as violating Public Utilities Code Section 8386(b) which requires that "each electrical corporation shall submit a comprehensive wildfire mitigation plan at least once every three years." Cal Advocates' proposal to convert the WMP submission for 2026 to a limited one-year update of an expired three-year plan may not comply with this requirement.

IV. Energy Safety Should Clarify that the Pre-Submission Process Is Not a Substantive Review of WMP Content and that Discovery on the Pre-Submission is Not Permissible

GPI's comments urge Energy Safety to either eliminate the pre-submission process or provide more access to the pre-submission filings. ¹² As PG&E noted in its opening comments, Energy Safety should clarify what is allowed during the pre-submission process and make it clear that discovery is not permitted until the WMP evaluation process begins with the submission of the final WMP. ¹³ GPI's arguments to eliminate the pre-submission process are based on a number of incorrect statements regarding the pre-submission process for the 2023-2025 WMPs. GPI incorrectly states that the pre-submission process "permits incomplete WMP submissions by the filing deadline" and affords the utilities "additional time [to prepare their WMPs] while OEIS conducts the completeness review." ¹⁴ The opposite is true. Utilities are not allowed to revise their pre-submission WMPs—with the sole exclusion being to correct mistakes

⁹ Cal Advocates Opening Comments on the Draft Guidelines at 15-17.

¹⁰ Cal Advocates Opening Comments on the Draft Guidelines at 15-17.

¹¹ Cal Advocates Opening Comments on the Draft Guidelines at 15-17.

¹² GPI Opening Comments on the Draft Guidelines at 5.

¹³ PG&E Opening Comments on the Draft Guidelines at 3-4.

¹⁴ GPI Opening Comments on the Draft Guidelines at 7.

in the pre-submission—and were, thus, forced to submit what amounted to their final WMPs nearly two months earlier than normal. ¹⁵ Despite the pre-submission process, the final base WMP filing date remained the last week in March, meaning that stakeholders had just as much time to review the WMP as they had in years past. ¹⁶

Energy Safety explains that the pre-submission process "is not a substantive review of WMP content." Instead, it is an opportunity for Energy Safety to "first assess each electrical corporation's WMP for satisfaction of the statutory and guidelines requirements." Therefore, since it is not a review of substantive content, which only "occurs during the WMP evaluation process," discovery to evaluate a utility's WMP should not be permitted until the evaluation process begins with the submission of the final WMPs.

V. Cal Advocates' Proposed "Guiding Principles" Are Unnecessary

Cal Advocates proposes two unnecessary "guiding principles." First, Cal Advocates proposes that Energy Safety require the utilities to "base the estimated risk reduction for a given mitigation on actual, observed values in areas where the mitigation has been deployed" and minimize use of subject matter expert (SME) judgment. PG&E does use actual observations regarding the effectiveness of its equipment where appropriate. However, for observed effectiveness to be useful, there must be a sufficient period where the equipment has been used in the field, which is approximately 8 to 10 years. For equipment used for a shorter period, SME judgment continues to be a valuable input to our risk analysis and is specifically authorized by the CPUC for the utilities' Risk Assessment and Mitigation Phase (RAMP) report. Place of the continues to the continues to the description of the utilities of the utiliti

Second, Cal Advocates proposes that cost estimates be based on actual expenditures.²² That is the starting point for cost estimates, but costs may increase or decrease in future years based on many factors; Energy Safety should not create rules that would limit use of SME judgment in preparing a forecast or require the utilities to use a methodology that differs from that used in their general rate cases.

¹⁵ Energy Safety Draft Guidelines (Nov. 12, 2024) at 7-8; Energy Safety 2023-2025 WMP Process and Evaluation Guidelines (Dec. 6, 2022) at 4.

¹⁶ GPI Opening Comments on the Draft Guidelines at 7 ("Second, this pre-submission process costs stakeholders and the OEIS valuable review time on Plans that continue to grow in volume with each iteration.").

¹⁷ Energy Safety Draft Guidelines at 7.

¹⁸ Energy Safety Draft Guidelines at 7.

¹⁹ Cal Advocates Opening Comments on the Draft Guidelines at 2.

²⁰ Cal Advocates Opening Comments on the Draft Guidelines at 2.

²¹ CPUC Decision (D.) 24-05-064, Appendix A (Jun. 6, 2024) at A-10 (explaining the necessity of using SME judgment in identifying the potential consequences and frequency of a risk event) and A-22 (explaining that SME judgment in risk assessment can be reduced as methodologies mature and more data becomes available). Similar language also appears in D.22-12-027, Appendix A (Dec. 12, 2022).

²² Cal Advocates at 9.

VI. Providing Additional Reporting on Smaller Fires Would Not Provide Additional Value

Cal Advocates proposes that the Draft Guidelines be amended to require the utilities to provide data on "all utility-related wildfires," which would expand current reporting requirements. ²³ Energy Safety should not require the utilities to provide additional reporting on smaller ignitions that do not meet WMP Table 4-2 reporting thresholds. ²⁴ It is unclear what value including this information in Table 4-2 would provide since PG&E already directly reports on the items listed by Cal Advocates to justify this request, including equipment failures, vegetation management challenges, and localized environmental conditions. ²⁵ Lastly, PG&E notes that if information on non-catastrophic fires is needed, PG&E is already providing this information directly to Energy Safety ²⁶ and the CPUC. ²⁷

VII. Including Compliance Outcomes in the WMP Guidelines is Unnecessary

Since Energy Safety has its own separate set of compliance guidelines, potential compliance outcomes do not need to be included in the WMP Guidelines. This includes compliance implications for failing to meet quality assurance or quality control objectives. Pho parties are questioning Energy Safety's ability to approve or deny a WMP, issue notices of violation, or make determinations regarding the quality of specific utility mitigations in its compliance reports. It is unnecessary to include potential non-compliance outcomes in the WMP Guidelines.

CONCLUSION

PG&E appreciates Energy Safety's efforts to continuously refine the WMP process and we look forward to continuing to work with Energy Safety and other stakeholders to promote wildfire safety.

Should you have any questions, please do not hesitate to contact the undersigned at <u>jay.leyno@pge.com</u>.

²³ Cal Advocates Opening Comments on the Draft Guidelines at 12-13.

²⁴ Cal Advocates Opening Comments on the Draft Guidelines at 12-13.

²⁵ Cal Advocates Opening Comments on the Draft Guidelines at 12-13.

²⁶ 14 Cal. Code Regs. § 29300.

²⁷ CPUC D.14-02-015 (Feb. 10, 2014); D.06-04-055 (Apr. 28, 2006), Appendix B

²⁸ Energy Safety 2024 Compliance Guidelines (Sep. 5, 2024).

²⁹ Cal Advocates Opening Comments on the Draft Guidelines at 5-6.

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Very truly yours,

/s/ Jay Leyno

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