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

Office of Energy Infrastructure Safety Natural Resources Agency

REPLY COMMENTS OF THE GREEN POWER INSTITUTE ON THE DRAFT WMP GUIDELINES – PACKAGE 1

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The Green Power Institute (GPI), the renewable energy program of the Pacific Institute for Studies in Development, Environment, and Security, provides these *Reply Comments of the Green Power Institute on the Draft WMP Guidelines – Package 1*.

Reinstate the Change Order process and associated due process rules that allow for OEIS and stakeholder input and approval

PG&E, SCE, and SDG&E opening comments advocate for reinstating the Change Order process in addition to the new Petition to Amend Process. The IOUs raise the concern that target changes made during the WMP's 3-year implementation cycle would be evaluated post facto in the compliance or ARC process after the plan year. Eliminating the Change Order process also removes the ability for OEIS and/or stakeholders to review target changes, provide comments, and issue a formal approval.

GPI is concerned that eliminating the Change Order process is detrimental to both WMP implementation oversight and utility planning. In terms of implementation oversight, eliminating the Change Order process also:

- (1) Eliminates transparency into WMP implementation changes, inclusive of revisions informed by other relevant proceedings or policies (e.g. R.21-06-017 'HDER', R.15-05-006 'HFTD', R.18-04-019 'Climate Adaptation', Executive Order N-5-24);
- (2) Eliminates the opportunity for OEIS and stakeholder review, comment, and formal approval of proposed changes before they are implemented, permitting the IOUs to make target changes independently without any regulatory oversight regardless of the anticipated impact on safety, reliability, or cost.

Regarding utility planning, post-facto review of utility target changes may incentivize utilities to build uncertainty into targets. This could include adjustments to quantitative targets or how targets are defined, such as incentivizing utilities to proffer more

generalized targets that build in flexibility to address uncertainty over the 3-year timeframe. Building flexibility into proposal/plan deliverables is a strategy for managing changing conditions that can occur when implementing the plan, while still achieving compliance. As a conceptual example, conducting 100 circuit miles of vegetation management that includes clearances, hazard tree removal, and IVM would be a very different target compared to completing 50 miles of "clearance" plus tree removals along 25 circuit miles plus 25 circuit miles of IVM. The former option builds in implementation flexibility by allowing for a wide range of solutions (i.e. activity scopes) that all meet compliance.

Without access to the WMP Guideline Workshop recording, GPI was unable to revisit and better assess the OEIS vision and justification for removing the Change Order process. GPI supports reinstating the Change Order process, unless or until additional explanation is available as to why the process was eliminated for the 2026-2028 WMP. Retaining the Change Order process will: (*i*) provide in-year transparency to utility target changes, including changes informed by related proceedings and policy other than the GRC; (*ii*) require utilities to "ask permission versus ask forgiveness;" (*iii*) afford OEIS and stakeholders due process to review and comment on proposed target changes prior to formal OEIS approval; and (*iv*) support utility plan specificity versus incentivizing built-in uncertainty.

Expand the OEIS and stakeholder evaluation timeframe upfront and reject PG&E's recommendation to deny discovery during the Pre-submission process or eliminate the pre-submission check altogether

PG&E recommends (1) classifying Pre-submission Check WMPs as not discoverable; and (2) not allowing stakeholder discovery to begin until the final WMP is submitted. Their argument appears to be motivated by a desire to specifically limit the stakeholder review period. PG&E states, "Allowing discovery during the pre-submission process...results in an evaluation process significantly greater than the three months contemplated in the

statute." This is both an incorrect interpretation of PUC §8386.3(a), and of historical Base WMP submission-to-decision timelines.

PUC §8386.3(a) states:

The Wildfire Safety Division shall approve or deny each wildfire mitigation plan and update submitted by an electrical corporation within three months of its submission, unless the division makes a written determination, which shall include reasons supporting the determination, that the three-month deadline cannot be met.

PUC §8386.3(a) explicitly allows extending the WMP approval/denial decision deadline via a written determination. PUC §8386.3(a) does not define what qualifies as a reasonable "evaluation period" for stakeholders, and makes no mention of selectively truncating public or stakeholder evaluations at 3 months if a decision extension is deemed necessary.

Nether PUC §8386.3(a) nor the OEIS could foresee that the IOU's 2023-2025 Base WMP plan filings on March 27, 2023, would total 5,000+ pages of content. This was quickly followed by the SMJU/ITO 2023-2025 WMP filings on April 17, 2023, totaling an additional 1,500+ pages of content. Stakeholders were provided 60 days for opening comments and 10 days for reply comments on the IOUs' 2023-2025 WMPs. An *overlapping* 50 day opening comment period was provided for the SMJU 2023-2025 WMPs. The opening comment periods overlapped by 39 days. All stakeholder opening and reply comments were filed by June 16, 2023. Meanwhile, OEIS identified in its June 8, 2023, Revised Wildfire Mitigation Plan Schedule that "Energy Safety requires additional time to evaluate the large amount of information submitted." OEIS ultimately required 277 days from PG&E's 2023-2025 Base WMP filing (3/27/2023) to when it issued a Decision on PG&E's WMP (12/29/2023). If the Pre-submission check period is included (+42 days), the total 2023-2025 WMP submission-to-decision timeline required 319 days.

¹ Pacific Gas and Electric Company's Comments on the Draft WMP Guidelines – Package 1, December 6, 2024.

² Revised 2023 Wildfire Mitigation Plan Schedule, June 8, 2023.

In historical context, PG&E's claim that: "Allowing discovery during the pre-submission process ... results in an evaluation process significantly greater than the three months contemplated in the statute," is clearly off base.³ The implication is that allowing stakeholders an additional 42 days of evaluation time during the Base WMP Presubmission Check is the component of the total 319-day submission-to-decision timeline for 2023-2025 WMPs that failed to comply with PUC \$8386.3(a). The 319-day submission-to-decision timeline is a product of reviewing more than six Base WMPs (6,500+pages) up to three times each -(1) a Pre-submission (R0); (2) a "Final" WMP (R1); and (3) a Revised (Revision Notice) WMP – each of which required OEIS and/or stakeholder review, comments, and updated orders. In fact, PG&E's 2023-2025 Base WMP submission-to-decision timeline could have been completed in just 87 days, three days short of the 90-day timeline envisioned by PUC §8386.3(a). A strict 87-day timeline could theoretically have been achieved with a WMP submission deadline of March 27, 2023, eliminating the Pre-Submission Check (42 days), and issuing a Decision on June 22, 2023, instead of a Revision Notice. The Decision outcome for an 87-day timeline would likely have a higher risk of Denial due to missing or inadequate content, if not for the benefit of the Pre-submission check and Revision opportunities.

PG&E also claims that allowing stakeholder access to Pre-Submission WMPs defeats the purpose of the Pre-submission Check, which is defined as a non-substantive review. GPI sees no issue here. The Pre-submission Check is not a statutory component of WMP submission and approval/denial. It was developed to afford additional WMP review time outside of the statutorily preferred 3-month timeline, and to reduce WMP evaluation inefficiencies due to incomplete WMP submissions. The Pre-submission Check can therefore be revised in whatever way necessary to better support WMP evaluation.

Two things are true: (1) The Pre-submission Check is non-statutory and can be revised to support Base WMP evaluation quality; and (2) PUC §8386.3(a) allows for extending the submission-to-decision timeline and does not limit stakeholder evaluation to a specific

³ Pacific Gas and Electric Company's Comments on the Draft WMP Guidelines – Package 1. December 6, 2024.

duration. Based on these parameters, GPI strongly recommends that the OEIS: (1)

Quantify the actual 2023-2025 Base WMP Pre-check-submission-to-decision timeline and submission volume to inform the 2026-2028 WMP process and schedule (e.g. Table 1);

(2) Re-evaluate and seek additional comment on how to adjust the submission-to-decision timeline, inclusive of process changes and evaluation time, that improves WMP review quality (e.g. Pre-submission elimination); (3) Increase the stakeholder review period; and (4) Plan for, and issue a determination that the 2026-2028 Base WMP submission-to-decision process will take longer than 3 months.

Table 1. Example of submission-to-decision timeline assessment for Base WMPs.

| Selected Schedule Targets and Filings | Date | Time Elapsed |
|--|------------|---------------|
| | | from Base WMP |
| IOU/PG&E 2023-2025 Base WMP | | filing (Days) |
| 2023-2025 Base WMP [Pre-submission] | 2/13/2023 | -42 |
| Pre-submission Check Results | 3/6/2023 | -21 |
| PG&E submits 2023-2025 Base WMP R0 | 3/27/2023 | 0 |
| [Public] | | |
| PG&E submits 2023-2025 Base WMP R1 | 4/6/2023 | 10 |
| [Public] | | |
| Opening Comment on IOU WMPs ⁴ | 5/26/2023 | 60 |
| Reply Comments on IOU WMPs ⁵ | 6/5/2023 | 70 |
| Energy Safety issues PG&E Revision Notice | 6/22/2023 | 87 |
| PG&E files Revised WMP per Revision Notice | 8/7/2023 | 133 |
| Draft Decision Target for PG&E Base WMP per | 9/29/2023 | 186 |
| Revision Notice ⁶ | | |
| Revised Draft Decision Target for PG&E Base | 10/16/2023 | 203 |
| WMP | | |
| Draft Decision on PG&E 2023-2025 WMP | 11/13/2023 | 231 |
| Final Decision on PG&E 2023-2025 WMP | 12/29/2023 | 277 |

Adopt a modified version of PG&E's WMP terminology improvements

PG&E calls for clarification on the definition and application of the terms "initiatives," "activities," and "initiative activities," including how they reflect hierarchical elements in

⁶ OEIS Revised 2023 PG&E Wildfire Mitigation Plan (WMP) Draft Decision Schedule, August 11, 2023.

⁴ 2023 Wildfire Mitigation Plan Schedule, December 7, 2022.

⁵ 2023 Wildfire Mitigation Plan Schedule, December 7, 2022.

the WMP. GPI also found the above terms confusing based on their application in the WMPs, their definitions, and combination in the unfamiliar turn of phrase, "initiative activities." GPI supports PG&E's call to clarify these terms.

GPI recommends adopting modified terminology to express WMP hierarchical elements; specifically, "initiatives," "programs," "activities," and "projects." In the hierarchy, initiatives are the most overarching, followed by programs, then activities, then projects. Suggested terms and definitions:

- <u>Initiatives</u> drive change to reduce the consequences and/or probability of wildfire or PSPS often through multiple sub-programs. For example, Vegetation Management and Inspections (WMP Section 9) is an initiative.
- <u>Programs</u> are coordinated sets of related activities designed to reduce the consequences and/or probability of wildfire or PSPS. For example, Vegetation Inspections (<u>new</u> WMP Section 9.2) and Vegetation Management (<u>new</u> WMP Section 9.3) are programs.
- <u>Activities</u> are defined methods implemented on time-bound schedules with quantitative and/or qualitative targets (i.e. S.M.A.R.T. Objectives). For example, Distribution Patrol Inspections (WMP Section 9.2.n), LIDAR Inspections (WMP Section 9.2.n), Pruning and Removal (9.3.n).
- <u>Projects</u> are completed to implement activities, and are granular (e.g. circuit segment level), time-bound, and have clear deliverables. For example, completing an inspection in a specific location planned for work in the plan year and necessary to achieve the activity targets.

GPI welcomes refinements to the definitions. However, this hierarchy, and the example breakdown for "Vegetation Management and Inspections," also eliminates the issue identified by PG&E that there is no "initiative" level within the VM Section. In this example, creating separate Vegetation Management and Vegetation Inspection "programs" creates a WMP level 2 sub-section where utilities can explain how activities work in concert as cost-effective programs. For example, a Vegetation Management program

⁷ 2024 12 06 Pacific_Gas_and_Electric_Company's_Comments_on_the_Draft_WMP_Guidelines_-_Package_1, p. 5.

summary would explain how a utility optimizes the implementation of multiple intraprogram activities, such Pruning and Removal, Wood and Slash Management activities, and IVM, towards providing for a more sustainable vegetation management program. Intra-program summaries that address combined mitigation activities should not supplant requirements to also combine mitigation activities from across multiple programs and initiatives (inter-program and inter-initiative, e.g. CC + PEDS + VM +VI).

Scrutinize all target, performance metric, and data reporting requirements, inclusive of QA and QC pass rates, for the entirety of the Draft WMP Guidelines – Package 1, and the Draft Data Guidelines

GPI's own initial concerns about QA and QC pass rate and other performance metric reporting gaps in the Draft WMP Guidelines are exacerbated by other commenter concerns over missing, confusing, or weak data reporting requirements. ^{8,9} GPI strongly recommends conducting a thorough review of the Draft WMP Guidelines – Package 1, in concert with the Draft Data Guidelines, to identify metric reporting gaps and redundancies. This focused review should at a minimum be informed by the following objectives:

- 1. Identify and ensure that every initiative, program, and activity include appropriate quantitative and qualitative target, performance metric forecast, and relevant prior year actuals (data) reporting requirements. Targets and performance metric forecasts must be able to be compared to publicly available data on actual WMP implementation in past years with minimum time-based reporting requirements (e.g. minimum 2019-2024).
- 2. All WMP targets, performance metric forecasts, and related data (i.e. prior year actuals) should be publicly available at the time of the utility WMP filings in one or more accessible reporting formats (e.g. pdf, Excel/CSV, GIS maps, other data files) and files. Data Requests should not be necessary to obtain this information.
- 3. The Draft WMP Guidelines Package 1 and the Draft Data Guidelines should be collectively scrutinized to identify any reporting gaps or redundancies per objectives 1 and 2. Reporting gaps should be systematically eliminated from these

⁸ 2024 12 06 Pacific_Gas_and_Electric_Company's_Comments_on_the_Draft_WMP_Guidelines_-Package 1, p.6.

⁹ 2024 12 06 Public_Advocates_Office_Comments_on_Draft_WMP_Guidelines_Package_1.pdf pp. 4-13.

two Guidelines and redundancies should be minimized to the maximum extent possible.

For example, Cal Advocates highlights issues with WMP Guideline Table 3-1, "List of Risk and Risk Drivers to Prioritize." Table 3-1 has limited value on account that it contains both data gaps and redundancies. Cal Advocates calls for adding outage data, sequentially ordering risk drivers by priority, and defining the data input timeframe. GPI generally agrees; however, these are not the only gaps limiting the value of Table 3-1. In our review of the Draft WMP Guidelines we largely wrote off the value of Table 3-1 altogether.

Table 3-1 and accompanying narration instructions to, "describe ... its basis for prioritizing these risks and risk drivers" also confound the basis for the tabulated risk prioritization. The table suggests the risk prioritization is based on "percent of ignitions in HFTD" and/or "topographical and climatological risk factors," though the required narration apparently modifies this interpretation to include some other risk factors not included in the table. GPI warns that most viewers will likely assume that the prioritization in Table 3-1 is largely based on "percent of ignitions in HFTD."

Aggregating and ranking risk drivers at the utility territory level should be applied with extreme caution, especially for the IOUs, which individually cover large areas that encompass multiple wildfire risk regimes. Top-down analyses such as that advanced in Table 3-1 may proffer an inadequate assessment and could even mislead risk-driver mitigation prioritization. Bottom-up analyses that include all risk inputs, likelihood, and consequence, are necessary to inform optimal risk mitigation plans that timely achieve safety, reliability, and affordability goals. For example, an ignition risk driver with a lower rank in Table 3-1 could occur frequently in concentrated areas with high wildfire consequence equating to a very high wildfire risk score that would warrant prioritization – this more granular and holistic high-risk score and priority ranking would be at best untraceable in Table 3-1, and at worst unobservable.

Table 3-1 also does not distinguish between risk driver trends on transmission versus distribution systems. The table will be naturally weighted to more strongly reflect risk

driver priority on distribution systems, since the distribution system footprint is much larger than the transmission system. The missing granularity (bottom-up) can reduce the usefulness of Table 3-1 for the purpose of prioritizing transmission versus distribution system risk drivers and resulting risk management strategies.

This is not an exhaustive assessment of the value of Table 3-1. However, the nail in the coffin for GPI was that the input data to create a more useful assessment of top-down data summarized in Table 3-1 can be obtained from the most recent Q4 QDR (QDR Tables 5-6). The Q4 QDR provides necessary data to fill at least some of the gaps identified by Cal Advocates and GPI, such as outage and ignition data by risk driver, specific years that past CPUC reportable outage and ignition data is available for all utilities, transmission versus distribution system events, and HFTD versus non-HFTD designations. Accordingly, the information in Table 3-1 is a narrow top-down assessment of risk mitigation prioritization, is somewhat misleading or confusing, is partially redundant to the QDR, and adds ~5 pages to WMPs. GPI generally supports including high value summary tables in WMP filings that are redundant to more cumbersome data tables, especially for the purpose of review and public transparency. However, WMP Guidelines should also take care to not oversimplify the wildfire risk data and prioritization, as this can inadvertently mislead the public and stymie California's ability to timely achieve safety, reliability, and affordability goals. GPI recommends reducing the table to only include the top 10 ignition-risk drivers, and clarifying that "percent of ignitions in HFTD" alone has limited value for assessing prudent risk mitigation prioritization.

Adopt Cal Advocates cost reporting requirements and require utilities to report the annual cost per typical ratepayer electric bill

GPI supports adopting Cal Advocate's recommendation that "Energy Safety should require utilities to include actual WMP expenditures from the prior WMP cycle." The Draft WMP Guidelines are conspicuously low on cost-reporting metrics. GPI further recommends that the WMP Guidelines require utilities to report the annual cost of planned

¹⁰ Public_Advocates_Office_Comments_on_Draft_WMP_Guidelines_Package_1, December 6, 2024, p. 7.

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and historic wildfire mitigation work to ratepayers on an average residential electric bill (i.e. annual cost for an average Californian household). Transparent cost reporting requirements are consistent with a move towards addressing Executive Order N-5-24.

Conclusion

We urge the OEIS to adopt our recommendations herein.

Dated December 12, 2024.

Respectfully Submitted,

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