

August 22, 2025

VIA OEIS E-FILING

Docket #2025-IE

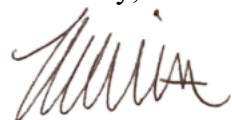
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RE: PacifiCorp (U 901-E) Comments on the 2025 Independent Evaluator Annual Report on Compliance

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) appreciates the independent evaluator's review of its 2024 Wildfire Mitigation Plan and would like to offer context, clarifications, and recommendations for future reporting improvements. PacifiCorp provides the following comments on the 2025 Independent Evaluator Annual Report on Compliance.

Please direct any informal questions to Melissa Swenson, Director of Wildfire Mitigation Program Delivery at (503) 320-8941.

Sincerely,



Robert Meredith
Director, Regulation

PacifiCorp's Comments on the Draft 2024 Wildfire Mitigation Plan Independent Evaluator Annual Report on Compliance

PacifiCorp appreciates the opportunity to respond to the independent evaluator's (IE) Draft 2024 Wildfire Mitigation Plan Annual Report on Compliance (IE Draft Report). The IE's diligent efforts to verify and evaluate the Company's 2024 Wildfire Mitigation Plan (WMP) initiatives provide useful insights for continual improvement. The IE Draft Report identified 45 distinct initiatives in PacifiCorp's 2024 WMP work and missed targets within ten of the initiatives.

The Company will provide responses for the ten missed targets and non-validation of another target. PacifiCorp believes the five missed targets related to Asset Inspections are all artifacts of a common reporting and evaluation dynamic that does not signify unsatisfactory or inadequate work. The Company provides a recommendation for how this issue could be addressed in future reporting and evaluation processes. The Company provides additional information regarding the missed targets for two Grid Hardening initiatives, focusing primarily on when and how the Company kept the California Office of Energy Infrastructure Safety (Energy Safety) apprised of the challenges it faced and the current status of these initiatives. The Company discusses its intentions to examine the cause and implications of the non-validation of its Vegetation Management target for pole clearing. Finally, the Company acknowledges the need to clarify its targets for one Community Outreach and Engagement initiative and two Risk Methodology and Assessment initiatives in future filings.

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Asset Inspections (AI)

Of the 10 initiatives identified in the IE Draft Report as having missed the target, five (AI-04, AI-05, AI-06, AI-07, and AI-11) involved the issue of whether PacifiCorp had conducted fewer asset inspections than the Company initially targeted. Despite this, PacifiCorp considered these initiatives to be completed. PacifiCorp believes these missed targets were generally artifacts of how progress was measured and evaluated, as opposed to genuine indications of incomplete or unsatisfactory inspections work.

Response to Missed Targets for AI-04, AI-05, AI-06, AI-07 and AI-11

PacifiCorp creates its asset inspection plans by first targeting certain areas of its system to cover, including specific transmission lines or one-mile distribution grids (mapstring-sections). The target areas dictate which and how many inspection types are targeted each year. The sum of all active facility points for a given asset type are tabulated, saved, and used to set yearly inspections targets. Sometimes these targets are set several years in advance, especially in the latter years of a WMP cycle.

From the IE Draft Report an issue-pattern is clear: several factors can result in the actual number of inspectable assets within PacifiCorp's annual target areas being lower than anticipated when the targets were set. This creates scenarios in which it appears as though PacifiCorp's official inspection counts are inadequate. However, there are several legitimate reasons why actual inspections counts can be lower than initial targets:

- Facilities were retired between the time the inspections target was set, and the inspections were slated to occur.
- Facility points in the mainframe contained incorrect attributes— such as transmission versus distribution or overhead versus underground— meaning certain facilities did not meet the criteria for the planned inspection(s).
 - One example involves a pole with distribution underbuild (i.e. a facility point that has both transmission and distribution on the same pole). These poles can sometimes appear as two poles in the Company's mainframe. The correct practice is to treat this facility point as a transmission pole, not a distribution pole. By merging the two poles in the mainframe, a distribution pole is removed. This reduces the number of inspectable distribution poles by one and will appear as though the facility point was retired in the mainframe.

These are legitimate reasons why a given inspections target can change. The following examples illustrate these dynamics in the Company's 2024 WMP asset inspections targets:

- **AI-04: Distribution Detail Inspections**
 - The Company targeted 8,672 inspections but only completed 8,628, a shortfall of 34 (0.4%) inspections. In this case, it became clear during the inspection process that in addition to asset retirements, several assets were mislabeled in PacifiCorp's database when the target was set, and these assets did not meet the criteria for the planned inspections, resulting in fewer inspectable assets in reality than PacifiCorp anticipated when setting its targets.
- **AI-11: Substation Inspections**
 - The Company set a 2024 target to conduct 451 substation inspections based upon records indicating 451 possible inspections within the 2024 target area. However, due to a substation asset retirement after the target was set, eight inspections were no longer possible. Even though PacifiCorp completed 443 inspections, the maximum possible in its target area, this was eight (1.8%) inspections short of the target.

Recommendation

In cases like this, PacifiCorp believes it is functionally meeting the goal of its asset inspection initiatives, insofar as it completes all possible inspections within the annual target areas of its wildfire mitigation plan. Subsequently there is room to streamline and improve reporting, verification, and evaluation. PacifiCorp requests guidance from Energy Safety about how to address this issue in the future, perhaps through minor reporting adjustments. It might make sense for utilities to report in Annual Reports on Compliance (ARC) how many planned inspections were not possible due to asset retirements, mislabeled assets, or other common issues of a similar nature, so that the total inspections required to meet a target could be adjusted accordingly. These minor target adjustments could be verified and assessed by the IE without automatically triggering a "missed target" label for the initiative.

Grid Hardening (GH)

The IE Draft Report identified missed targets for GH-01 and GH-04 within PacifiCorp's grid hardening initiatives.

Response to Missed Target for GH-01: Line Rebuild – Covered Conductor Installation

The IE found the Company missed its target for GH-01 because it targeted 80 line-miles of rebuild for 2024 but only completed 72 line-miles, resulting in a shortfall of eight (10 percent)

line-miles. PacifiCorp provided the following explanation to the IE, which was included in the IE Draft Report, “[PacifiCorp] experienced delayed mobilization on one project that moved work into poor weather months which required helicopter set poles. Sub-contractors were mobilized but poor weather impacted their ability to complete the work before the end of the year.”¹

PacifiCorp began conveying challenges with this initiative to Energy Safety in September 2024 during its “Monthly Initiative Update” meetings. In its September update, PacifiCorp categorized the initiative as “Off-Target or Behind Schedule” due to challenges involving “work on transmission under build poles.” This designation remained until it was escalated to “At Risk of Missing Annual Target” in December. In October, the Company reported on a plan to bring on a sub-contractor and delays associated with finalizing a contract between the contractor and subcontractor.

As indicated in the IE Draft Report, the shortfall for GH-01 was completed in Q1 of 2025.² The Company provided Energy Safety progress updates for the past-due 2024 work in its 2025 monthly updates, in addition to separate updates for the Company’s 2025 work.

Response to Missed Target for GH-04: Installation of System Automation Equipment

The IE found the Company missed its target for GH-04 because it targeted 20 system automation installations for 2024 but only completed 11 installations, resulting in a shortfall of nine (45%) installations. The IE Draft Report quoted the Company’s 2024 ARC, which stated “[the Company] faced challenges regarding the availability of internal and contracted relay technicians and was unable to complete the planned target by end of year. PacifiCorp has contracted additional relay technicians for 2025, and technicians will remain on the project until the outstanding 2024 work is complete.”³

PacifiCorp began conveying challenges with this initiative to Energy Safety in May 2024 during its “Monthly Initiative Update” meetings. In its May update, the Company categorized the initiative as “Off-Target or Behind Schedule” and conveyed that “relay technician resources” posed the primary barrier to progress. This designation remained each month until it was escalated to “At Risk of Missing Annual Target” in November. In the interim months, the Company reported on a plan to bring on “contract resources to assist with the work,” but as the Company conveyed in the final months of 2024, a bottleneck of internal or contracted relay technicians remained a barrier to meeting the target.

The Company provided Energy Safety separate progress updates for the past-due 2024 work in its 2025 monthly updates in addition to updates for the Company’s 2025 work. In April and May

¹ IE Draft Report, Page 33.

² *Id.*

³ IE Draft Report, Page 37.

of 2025 PacifiCorp reported exceptional progress completing backlogged 2024 work and is currently ahead of schedule for meeting its 2025 cumulative target.

Vegetation Management (VM)

The IE evaluated VM-05 as “Initiative not validated” because its field verification of an 81-pole sample resulted in a 74% verification score, which was less than the 95% requirement.

Response to Non-validation of VM-05: Pole Clearing

The Company is currently reviewing the pole clearing verification survey results provided by the IE⁴ to understand why it did not meet the verification target and whether this was due to a potential dynamic of the verification process or a correctable oversight with implications for the Company’s operational practices. The Company will examine the attributes of the non-validated poles (such as whether herbicide use is permitted on them or not) and re-check the non-validated poles in the field to examine whether an inspections-timing issue was at play. This analysis will support the Company’s continual improvement process.

Community Outreach and Engagement (CO)

The IE Draft Report notes a missed target within CO-01 for providing “AFN resources on the website,” specifically that the Company did not provide its medical certificate application in one additional language.⁵ The IE recommends that the Company clarify its intentions for this initiative and be more precise with targets in future filings.

Response to Missed Target for CO-01: Public Outreach and Education Awareness Program

PacifiCorp currently offers a 1:1 Spanish translation of wildfire outreach and engagement materials, including customer notifications, handouts and brochures, program applications, and web pages. As materials are updated and new materials are created, PacifiCorp will continue to offer English and Spanish versions, but the Company does not have plans to provide wildfire-related materials in additional translations unless OEIS provides explicit guidance to do so.

In 2024 PacifiCorp translated its medical programs handout into Hmong. A community-based partner organization requested this to meet the needs of the community it served, and the

⁴ The validation survey results were not included in the materials the IE initially provided the Company, however upon request the IE provided survey results to the Company on August 11, 2025.

⁵ The Company notes that this target might belong within Tracking ID CO-02: Engagement with Access and Functional Needs Populations, instead of CO-01: Public Outreach and Education Awareness Program.

Company believes this supported a valuable, targeted strategy for meeting the needs of its Access and Functional Needs (AFN) customers. The handout includes PacifiCorp's Customer Service line, which is answered by a real person, 24 hours/7 days a week, and can provide translation services into nearly 300 languages for customers seeking information or support in other languages. As such, the handout offers a pathway for customers whose primary language is Hmong to learn of and acquire the support necessary to complete the medical certificate application.

PacifiCorp realizes that its targets were not clearly stated in its 2023-2025 Base WMP, specifically on page 302, and appreciates the IE's feedback to clarify the Company's current intentions and provide clearer targets in future filings.

Risk Methodology and Assessment (RA)

The IE Draft Report notes missed targets and verifications for RA-01 and RA-03. The IE also discusses a general lack of specificity for the targets and assessment criteria of the Company's RA initiatives, creating problems for the evaluation process. The IE recommends that, "although these initiatives may not lend themselves to quantitative targets... in the future PacifiCorp [should] strive to set targets that are clear in terms of what they aim to achieve and for which PacifiCorp will be able to provide verifiable forms of evidence."⁶

Response to Missed Targets and Non-verification of RA-01: Risk and Risk Component Calculation and RA-03: Other Key Metrics

PacifiCorp appreciates the IE's feedback regarding limited evidence of reported progress or development of the risk modeling priorities discussed in RA-01 and RA-03. As PacifiCorp conveyed to the IE, the Company is currently developing a cloud-based development environment in Microsoft Azure to aid in the tracking and assessment of progress. It will include versioning and code reviews to provide more comprehensive documentation of completed risk modeling activities, such as wildfire risk score updates that include time-stamped data outputs.

For both RA-01 and RA-03, PacifiCorp acknowledges that the targets and assessment criteria articulated in its WMP and used in the Quarterly Data Reports (QDR) need additional specificity and clarity so the progress of those initiatives can be more directly tracked and definitively demonstrated. PacifiCorp's risk modeling continues to grow more complex, robust, and responsive to feedback, and it is important to provide better evidence of that progress. PacifiCorp will look to include those enhancements in future filings and QDR updates.

⁶ IE Draft Report, Page 104.