BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking to Consider Revisions to Electric Rule 20 and Related Matters.	Rulemaking 17-05-010 (Filed May 11, 2017)

REPLY COMMENTS OF RURAL COUNTY REPRESENTATIVES OF CALIFORNIA TO ADMINISTRATIVE LAW JUDGE'S RULING REQUESTING COMMENTS ON THE PHASE 2 WORKSHOP

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I. Introduction

In accordance with Rule 6.2 of the California Public Utilities Commission ("Commission") Rules of Practice and Procedure ("Rules"), Rural County Representatives of California (RCRC) submits reply comments to the Administrative Law Judge's December 7, 2022 ruling. RCRC was granted party status via an e-mail ruling by Administrative Law Judge Stephanie Wang on April 23, 2021.

II. Comments

Various parties have indicated an ambiguity as to what constitutes a "community" for purposes of the underlying Rule 20. As such, it would be helpful to have a shared understanding of what constitutes a "community" for purposes of this Ruling, as a simple misunderstanding could have a significant impact on who can undertake future projects and/or bar projects intended to serve some of the most disadvantaged residents in the state.

RCRC concurs with the League of California Cities (CalCities) with regard to local governments informing large utility wildfire-related undergrounding programs. Enhanced communication and collaboration can help housing and safety objectives of the utility and

community and ensure consistency with the jurisdiction's general plan.[1] We also support CalCities' recommendation that utilities present information on wildfire-related undergrounding plans at a public hearing in which public comments are taken.[2] Engagement with local government staff and officials should be done well in advance of pursing the permitting necessary to ensure that local input informs utility planning.

1. Defining "underserved communities."

RCRC agrees with parties that the Environmental and Social Justice (ESJ) Action Plan 2.0 is a good starting point to define "underserved community;" however, it may not be sufficient to achieve the Commission's goal of supporting future projects in underserved communities.[3] We appreciate and agree with San Diego Gas and Electric Company's (SDG&E's) observation that the ESJ Action Plan 2.0 is not as restrictive as the CalEnviroScreen definition of "disadvantaged community" and that the former gives greater weight to a community's income levels and poverty.[4] Depending on the Commission's decision about whether to expand Rule 20A eligibility to wildfire safety-related projects, we agree with San Diego County's observation that the ESJ Action Plan 2.0 may not capture those communities historically underserved by the Rule 20 Program and which are located in Tier 2 and Tier 3 High Fire Threat Districts[5]; however, the ESJ Action Plan's considerations could help refine which underserved communities should be prioritized for funding.

Those who have undertaken a Rule 20A project within a specified number of years should not be categorically excluded from the definition of "underserved community", especially given the ambiguity or disconnect between the definition of "communities" that receive Rule 20A work credit allocations and the "underserved communities" the Commission would like to see benefit from the Rule 20A program. In many cases, there is overlap between the two. To effectively resolve these issues, the Commission should clarify whether it considers an "underserved

[1] *League of California Cities Comments on Administrative Law Judge's Ruling Requesting Comments on Phase 2 Workshop*, pages 4-5.
[2] *Id, pages 5-6.*
[3] See *Comments of County of San Diego on Administrative Law Judge's Ruling Requesting Comments on the Phase 2 Workshop*, January 20, 2023, page 3
[4] *San Diego Gas & Electric Company's (U 902 E) Response to the Administrative Law Judge's Ruling Requesting Comments on the Phase 2 Workshop*, January 20, 2023, page 1.
[5] *San Diego County*, page 2.

community" to be the city or county that received the work credit allocation or a smaller geographic subset of that recipient.

Some entire counties can be categorized as "underserved" under the ESJ Action Plan 2.0 definition. At the same time, there are some unincorporated towns that are "underserved" or "disadvantaged" within counties that do not otherwise meet the criteria. Similarly, many counties cover large geographic areas and may have undertaken Rule 20A projects within one or more discrete unincorporated areas; however, those counties likely have several other disadvantaged and underserved unincorporated areas that would benefit from future Rule 20A projects. Given these realities, RCRC agrees with SDG&E's observation that "a disadvantaged community may be a small subset of a larger [ ] community.[6] Similarly, precluding an entire county from qualifying as an "underserved community" merely because it has undertaken an earlier Rule 20A project will have the perverse affect of barring future Rule 20A projects in those communities that the Commission otherwise indicates it would like to see benefit from the Rule 20A program.

For these reasons, RCRC disagrees with Cal Advocates' suggestion that "the definition of underserved communities should include a requirement that such a community has not completed a Rule 20A project"[7] and agrees with The Utility Reform Network (TURN) that the Commission should not disqualify underserved communities that have completed Rule 20A projects in the past if they meet the definition of an underserved community per the Environmental and Social Justice Plan 2.0.[8] Again, the Commission must clarify whether this test is focused on the actual community in which the project will be located or on the larger "community" that received the work credit allocation. We also suggest that the Commission should not bar future projects that benefit an "underserved community" within a larger county that may not itself meet the definition laid out in the ESJ Action Plan 2.0.

2. ***Work Credit Reallocation***

RCRC agrees with PG&E that prior to reallocating work credits, the Commission must first determine the long-term future of the Rule 20A program.[9] RCRC agrees with suggestions made by PG&E and SDG&E that inactive communities be given an opportunity to become active

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[6] *SDG&E*, page 2.

[7] *Opening Comments of the Public Advocates Office on the Administrative Law Judge's Ruling Requesting Comments on the Phase 2 Workshop*, January 20, 2023, page 3.

[8] *Comments of The Utility Reform Network on Administrative Law Judge's Ruling Requesting Comments on the Phase 2 Workshop,* January 20, 2023, page 2.

[9] *Pacific Gas and Electric Company's Comments on the Administrative Law Judge's Ruling,* January 20, 2023, page 4.

by forming a Utility Undergrounding District.[10] At the same time, we note the continuing challenges associated with creation of a Utility Undergrounding District and performing the associated staff work.

While we appreciate Cal Advocate's overarching concern about ratepayer impacts of the Rule 20A program, we disagree with their suggestion to immediately sunset the program in its entirety or, alternatively, to focus any reallocation of work credits on aesthetic impacts.[11] While we understand Cal Advocate's alternative only suggests what to do with reallocated work credits that have already been assigned, promoting an aesthetic program over wildfire safety-related projects may have less ratepayer benefits overall.

3. Wildfire Safety Undergrounding

RCRC reiterates our support for expanding Rule 20A eligibility to wildfire safety-related undergrounding projects. As such, we align our comments with those of CalCities in supporting expanded program eligibility.[12] While we share the affordability concerns raised by TURN and Cal Advocates, we disagree with their suggested sunsetting of the Rule 20A program at this time.[13]

We caution against conflating the separate discussions of expanding the types of projects eligible for remaining Rule 20A funding with other discussions about expanding/extending the underlying program. As a result of suspending allocations of work credits, the Rule 20A program is on a natural glidepath for a *de facto* sunset at the point where funding is exhausted. We look forward to working with the Commission on what the future of the Rule 20 program should look like, as termination of Rule 20A will make it difficult, if not impossible, for many communities to initiate utility undergrounding projects in their jurisdictions. However, those discussions should not constrain the Commission from allowing communities to use remaining work credits for wildfire-safety and emergency-related undergrounding projects, especially as those projects may provide more meaningful and significant benefits for some communities than undergrounding for merely aesthetic reasons.

RCRC disagrees with Cal Advocates' assertion that expanding the Rule 20A program to cover wildfire safety-related undergrounding will be unnecessary and duplicative of existing utility

[10] *Id*, page 5; *SDG&E*, pages 3-4.
[11] *Cal Advocates*, pages 4-5.
[12] *CalCities*, page 3.
[13] *TURN*, page 4; *Cal Advocates*, page 4.

wildfire undergrounding programs.[14] As we stated in our Opening Comments, the Rule 20A program can be a very valuable tool to help fill gaps within existing programs to reduce local wildfire risk and avoid adverse environmental and cultural impacts.[15] Indeed, the filings in this proceeding have shown that expansion of Rule 20A eligibility would NOT be duplicative of utility wildfire undergrounding programs, but would instead provide even greater wildfire risk reduction benefits than would otherwise occur through implementation of utility wildfire mitigation plans. For instance, SCE and SDG&E both indicate that they typically underground both primary and secondary distribution lines as part of their wildfire undergrounding programs, observing that secondary distribution lines represent a real risk of wildfire ignition.[16] On the other hand, PG&E notes that it does not plan on undergrounding secondary distribution lines (those under 750 volts).[17] As a result, it appears that aesthetic-related Rule 20A undergrounding projects may be more comprehensive and result in a greater level of wildfire risk reduction than proposed in certain utility undergrounding programs.

While we appreciate that undergrounding higher voltage distribution lines will significantly reduce wildfire risk, the failure of PG&E to underground secondary lines (as appears to be common practice among other utilities) will likely not result in co-benefits typical of system improvements, such as a substantial reduction in fast trip outages that many Californians desperately need. These customers may still be at elevated risk of outages from branches, wildlife, or other things coming into contact with power lines and triggering fast trip settings. RCRC is further concerned that PG&E's wildfire undergrounding program may not include other system improvements necessary to eliminate proactive de-energization events, including installation of covered conductor for secondary distribution lines remaining aboveground. Ratepayers and communities need commitments from utilities that infrastructure investments will result in safety and reliability improvements and are not mutually exclusive trade-offs. While we acknowledge these issues are outside of the limited scope of this proceeding, they are nonetheless relevant as parties compare the proposed expansion of Rule 20A eligibility for wildfire safety-related undergrounding to larger utility undergrounding projects.

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[14] *Cal Advocates*, page 6.
[15] *Opening Comments of Rural County Representatives of California to Administrative Law Judge's Ruling Requesting Comments on the Phase 2 Workshop*, January 20, 2023, pages 4-5.
[16] *SCE*, page 6; *SDG&E*, page 4-5.
[17] *PG&E*, pages 5-6.

Additionally, failure to underground lower-voltage secondary distribution lines (where otherwise feasible) may result in a continued need for enhanced vegetation management; this would diminish ratepayer dollars and continue to negatively affect customer safety and energy reliability. For these reasons, we strongly disagree with PG&E's suggestion that the Commission limit wildfire safety undergrounding to only higher voltage electric distribution lines to reduce project complexity.[18] While such an approach would align Rule 20A with their proposed 10,000-mile undergrounding program, it appears to fall short of the standard for undergrounding put in place by other large utilities.

Alternatively, RCRC strongly agrees with SCE's suggestion that the Rule 20A program should avoid undergrounding overhead lines where covered conductor was installed as a wildfire mitigation tool.[19] RCRC would agree it is appropriate to limit Rule 20A undergrounding for wildfire safety reasons in these circumstances to avoid duplication of scarce ratepayer resources. And while RCRC does not disagree with the geographical criteria SCE suggests for Rule 20A wildfire safety undergrounding projects[20], we suggest that those criteria be used to inform discussions between the utilities and project proponents about the suitability of the project.

4. Community Engagement

As previously mentioned, RCRC agrees with CalCities that large utilities should consult with local governments about wildfire-related plans early enough so that consultation can meaningfully inform the utility's plan.[21] We similarly agree with Cal Advocate's statements on the benefits that may flow from early and increased engagement with local and tribal governments.[22] We appreciate SDG&E's observation that local governments and tribes are all different, that the methods and means of best communicating may vary, and that year-round relationships must be built on the two-way flow of information between the utility and the governments.[23]

III. Conclusion

The Commission must ultimately determine the long-term structure of the Rule 20 program in light of the inability of most local governments to pursue undergrounding projects through the

[18] *PG&E*, page 11.
[19] *SCE*, page 8.
[20] *Ibid*.
[21] *League of California Cities*, page 5.
[22] *Cal Advocates*, page 6.
[23] *SDG&E, pages 7-8.*

Rule 20B and Rule 20C programs. However, those longer-term discussions should not compromise the ability for local governments to use remaining Rule 20A work credits to pursue undergrounding projects, including those related to wildfire safety. Furthermore, the Commission should recognize that expansion of the Rule 20A program to include wildfire safety-related undergrounding will not necessarily be duplicative of existing utility wildfire safety programs. Instead, the Rule 20A program can remain a vital tool to address gaps that may exist or arise within those larger programs. It is always better to have a tool in the toolbox than to find yourself without one when you need it. Finally, we must reiterate the real safety-related benefits that will accrue from expanding project eligibility (which benefit all ratepayers) that are not necessarily achievable or inherent in a program that is primarily focused on aesthetic benefits.

We appreciate the consideration of our comments. We respectfully request that the Commission's Docket Office be directed to accept these comments for filing.

Dated: February 17, 2023

Respectfully submitted,

/s/ *John Kennedy*

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