

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**FILED**

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September 1, 2023

Agenda ID #21835
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 21-05-011 et al.:

This is the proposed decision of Administrative Law Judges Rafael Lirag and Manisha Lakhanpal. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's October 12, 2023 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.2(c)(4).

/s/ MICHELLE COOKE

Michelle Cooke

Acting Chief Administrative Law Judge

MLC:smt

Attachment

Decision **PROPOSED DECISION OF ALJ'S RAFAEL LIRAG AND
MANISHA LAKHANPAL** (Mailed 9/1/2023)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902M) to Submit Its 2021 Risk Assessment and Mitigation Phase Report.	Application 21-05-011
And Related Matters.	Application 21-05-014

**DECISION CLOSING RISK ASSESSMENT AND
MITIGATION PHASE PROCEEDING**

Summary

The procedures adopted in Decisions (D.) 14-12-025, D.16-08-018 and D.18-12-014 required San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (Jointly Sempra Utilities) to file its Risk Assessment Mitigation Phase (RAMP) Report. The Commission’s Safety Policy Division (SPD) reviewed Sempra Utilities’ RAMP Reports for consistency with the Safety Model Assessment Proceeding and assessed whether Sempra Utilities included the elements required D.18-12-014. The RAMP process focuses on safety and effective risk mitigation to further reduce risk to the utilities, employees, contractors, and the public. The SPD recommended several changes in response to the Sempra Utilities’ RAMP process. An assigned Commissioner’s Ruling required Sempra Utilities to incorporate revised risk calculation into their Test

Year 2024 general rate case (GRC) applications. This RAMP process impacts Sempra Utilities' risk management analysis and procedures that will be analyzed in the 2024 GRC proceeding. Sempra Utilities provided information showing how they have integrated the RAMP process into their TY 2024 GRC applications.

This proceeding is closed.

1. Background

On May 17, 2021, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (jointly Sempra Utilities) filed their respective 2021 Risk Assessment Mitigation Phase (RAMP) Applications and the RAMP Reports according to Decision (D.) 14-12-025 ahead of their Test Year (TY) 2024 general rate case (GRC) applications.

SDG&E's and SoCalGas' RAMP Reports provide an initial quantitative and probabilistic assessment of their top safety risks, controls or mitigations currently in place, plans for improving mitigation activities, alternative mitigations, and estimates of costs of the proposed mitigations. Risk Spend Efficiency (RSE) calculations and considered alternative mitigations inform the mitigation plans and cost estimates.

The RAMP reports follow the guidelines set forth in D.16-08-018 for what the RAMP submission should include, and the methodologies and new guidelines contained in the Safety Model Assessment Proceeding (S-MAP) Settlement Agreement was approved in D.18-12-014.

The Commission's Safety Policy Division (SPD) is required to review SDG&E's and SoCalGas' RAMP Report and issue an evaluation report. Parties are allowed to file comments to SDG&E and SoCalGas RAMP Reports and SPD's evaluation report. The RAMP filing and comment process shall then form the

basis of SDG&E and SoCalGas's assessment and proposed mitigations for its safety risks in its next GRC filing.

On June 9, 2021, Mussey Grade Road Alliance (Mussey Grade) filed a Protest. Southern California Edison Company (SCE) filed a Response on June 16, 2021. The Public Advocates Office (Cal Advocates), The Utility Reform Network (TURN), Protect Our Communities Foundation (PCF), and Utility Consumers' Action Network (UCAN), filed their respective protests to the applications on June 21, 2021.

SPD organized a post-filing workshop on June 17, 2021.

On July 7, 2021, prehearing conference (PHC) statements were filed jointly by the applicants SDG&E and SoCalGas and Cal Advocates, and jointly by TURN, and Mussey Grade. On July 13, 2021, a telephonic PHC was held to address the service list, and discuss the scope, schedule, and other procedural matters.

On July 12, 2021 Sempra Utilities held a second post-filing workshop.

An Assigned Commissioner's Scoping Memo and Ruling was issued on July 30, 2021 (Scoping Memo). A modified procedural schedule was adopted via an Administrative Law Judges' (ALJ) ruling issued on September 20, 2021.

On November 5, 2021, SPD served a copy of Sempra's RAMP applications' staff evaluation report (SPD Report).

On December 6, 2021, PCF, Cal Advocates, TURN, Mussey Grade, SDG&E and SoCalGas, Utility Workers Union of America, Local 132 (UWUA), UCAN, and Small Business Utility Advocates (SBUA) filed their comments on the recommendations and findings of the SPD Report.

An Assigned Commissioner Ruling (ACR) was issued on March 30, 2022, directing Sempra Utilities to undertake the revised risk spending efficiency (RSE)

calculations for the post-test years (2025-2027) in its upcoming GRC. The ACR directed Sempra Utilities to submit supplemental testimony calculating the expected risk reduction and the revised RSE values for the post-test years (2025-2027) within eight weeks of filing the GRC Application.

On May 16, 2022, Sempra Utilities filed their respective GRC applications. SoCalGas filed Application (A.) 22-05-015, and SDG&E filed A.22-05-016, which were consolidated (GRC Proceeding). In these applications, Sempra Utilities seek authority to increase their revenue requirements and base rates effective January 1, 2024, and further increase their revenue requirements in post-test years 2025, 2026, and 2027.

On October 20, 2022, the assigned ALJ issued a ruling directing Sempra Utilities to file information on mapping RAMP safety risk data between its RAMP and GRC Proceeding. Sempra Utilities filed a Response to the ruling on November 21, 2022 (ALJ Ruling).

1.1. Submission Date

This matter was submitted on April 28, 2023, after SDG&E's Risk Spending Accountability Report was submitted.

2. RAMP Background

Pursuant to D.14-12-025, D.16-08-018, and D.18-12-014, Sempra Utilities is required to file its RAMP submission to the Commission. Initially, the RAMP was required to be filed as a request for an Order Instituting Investigation but was later amended by D.20-01-002 to be filed as an application.

Utilities file RAMP proposal in the application, which SPD reviews. SPD issues an evaluation report, and parties to this proceeding have an opportunity to comment on both the utility's RAMP submission and SPD's evaluation report.

The RAMP filing and comment process form the basis of the utility's assessment of its safety risks in its next GRC application.¹

The latest S-MAP application and requirements for this RAMP application were adjudicated in D.16-08-018. Among other things, D.16-08-018 adopted on an interim basis a multi-attribute approach, which potentially relies on utility equivalent features, to implement the use of probabilistic modeling to assess and manage risks. In addition, D.16-08-018 adopted guidelines for what the RAMP submissions should include, as well as an evaluation method to evaluate a utility's RAMP submission, and a list of the ten recommended RAMP components.

D.18-12-014 adopted a settlement agreement that approved a standardized risk-based decision-making model that utilities are required to employ in RAMP and GRC filings. The settlement agreement provided minimum required elements for risk and mitigation analysis leading to a more uniform and quantitative risk-based decision-making framework. The settlement agreement also provides enhancements to the Multi-Attribute Value Function (MAVF) analysis and the 10 major components of RAMP.²

Finally, D.20-01-002 modified the timing for utilities' GRCs and RAMP filings and required the filing of RAMP submissions as applications.

The RAMP process continues to be refined, and the current S-MAP proceeding, R.20-07-013, will build on requirements for the utility risk assessment and mitigation framework adopted in the previous S-MAP

¹ Sempra Utilities filed their GRC application for Test Year 2024 on May 16, 2022 (A.22-05-015 and A.22-05-016).

² The Phase 2 decision in the S-MAP proceedings was issued on April 25, 2019, in D.19-04-020. This decision provided updated guidelines, but the decision focused on the Risk Spending Accountability Reports and safety performance metrics.

proceeding.³ Phase 1 of R.20-07-013 adopted new safety performance metrics and modified transparency guidelines, but these changes are not applicable to this proceeding. Phase 2 of the current S-MAP is ongoing.

3. Issues Before the Commission

In the Scoping Memo issued on July 30, 2021, the assigned Commissioner determined that the issues to be addressed in these consolidated RAMP proceedings are as follows:

1. Whether the RAMP Report and analysis is complete and in compliance with D.14-12-025, D.16-08-018 and the S-MAP Settlement adopted in D.18-12-014.
2. Whether there are gaps in the RAMP Report in identifying risks and considering mitigation options:
 - a. Whether key safety risks have been adequately identified, assessed, and analyzed.
 - b. Whether risk analysis is adequately supported.
 - c. Whether effective mitigation programs have been developed and defined with sufficient granularity.
 - d. Whether cost effectiveness of mitigations has been reasonably assessed and analyzed.
 - e. Whether alternatives have been fully considered and adequately discussed by the utility.
 - f. Whether safety and other risks associated with PSPS have been considered in the RAMP process.
3. Whether the Multi Attribute Value Function (MAVF) and Risk Spend Efficiencies (RSE) calculations including relative weightings and ranges for safety, financial, and reliability attributes, and whether their impact on risk estimates appropriately represent societal values, are reasonable and consistent with the SMAP settlement.

³ A.15-05-002.

4. Whether the utility's analysis is transparent and allows for independent validation of its results.
5. Whether RAMP feedback has been adequately incorporated into the utility's 2024 TY GRC filing.
6. Whether the proceeding should be closed or integrated into the utility's 2024 TY GRC.

2. Summary of SPD's Analysis of the RAMP Report

SPD evaluates the assumptions and methodologies corresponding to risks identified by Sempra Utilities in the RAMP Report.

Sempra Utilities RAMP report provides an initial quantitative and probabilistic assessment of their respective safety risks, their plans to mitigate risks, and estimates of costs associated with the proposed mitigations. Sempra Utilities mitigation plans and cost estimates are informed by Risk Spend Efficiency (RSE) calculations and analysis of hypothetical alternative mitigations.

Pursuant to D.18-12-014, utilities are required to use a minimum of 40 percent weight on safety attributes to calculate a multi-attribute value function (MAVF) to evaluate and rank potential risk events. The MAVF is required to capture the risk events' safety, reliability, and financial impact. SPD finds that Sempra Utilities have included an additional attribute, Stakeholder Satisfaction, intended to capture the effects of a risk event on customers, employees, the public, government, and regulators. Additionally, SPD finds that Sempra Utilities opted to raise the safety weight to 60 percent in their 2021 RAMP Application, impacting their cost and benefit-risk mitigation analysis.

SPD identified several areas in which the Sempra Utilities' RAMP reports failed to comply with requirements of the Settlement Agreement adopted in D.18-12-014 (SA), including the time period for the risk assessment; the risk

assessment of tranches; the granularity of tranches; and late workpapers and delays in providing data.

SPD recommended that RAMP's baseline level of risk should include the benefits of mitigations through the end of 2023, not 2020. The SPD Report further recommends that from the 2023 baseline, risk reductions for mitigations in 2024-2027 should be presented in the RAMP to inform the Test Year 2024 GRC period under review.

For MAVF, SPD recommends that Sempra reevaluate the weighting and range factors in their MAVF to produce more defensible valuations of consequences.

For the TY 2024 GRC filings, SPD Staff recommends that Sempra develop tranche-specific Likelihood of Risk Event (LoRE) and/or Consequence of a Risk Event (CoRE) scores for each tranche to provide clarity of the risk for the tranche and to comply with the Settlement Agreement.⁴

Regarding Wildfire Consequence Modeling, SPD recommends that SDG&E complete the scenario analysis requested by MGRA and re-evaluate the use of their gamma distribution model prior to filing their GRC. For wildfire smoke health impacts, SPD recommends that SDG&E should review MGRA's comments and respond in the GRC.

SPD recommends that Sempra Utilities should not use the Stakeholder Satisfaction weights should not be used to calculate risk score. SPD states that Sempra Utilities should continue to seek ways of measuring less readily quantifiable attributes, particularly environmental and community health

⁴ A tranche is a sub-group of an asset category that has different risk score than the remainder of the category.

impacts, to have a more comprehensive and complete accounting of risks associated with utility operations.

The SPD Report states that Sempra Utilities GRC filing should include a narrative overview describing the way and in what sections of the filing the companies have addressed all SPD and party recommendations.

In addition to specific recommendations on RAMP, SPD states that Sempra Utilities did not provide sufficient and timely workpapers.

5. Comments on RAMP and SPD Evaluation Report

Parties to the proceeding filed comments to the RAMP Report and the evaluation report conducted by SPD. These comments and Sempra Utilities' consideration of these comments in its GRC filing form an integral part of the RAMP process.

TURN agrees that the SPD Report correctly identified several areas wherein the RAMP Report fails to comply with the Settlement Agreement adopted in D.18-12-014 including the time period for risk assessment, the risk assessment and granularity of tranches, reasonableness of the MAVF calculations, transparency and adequacy of supporting information, incorrect RSE calculations, and late workpapers and delays in providing data. TURN adds that it expects Sempra Utilities to address these compliance errors in its GRC submission. TURN also agrees with SPD's observations and recommendations related to wildfire risk but adds that SDG&E must disaggregate distinct activities from larger programs for the calculation of RSEs. TURN likewise agrees with the SPD Report analysis relating to high and medium-pressure pipeline systems, excavation damage, and gas storage system risks. In addition, TURN adds that

Sempra Utilities should be required to show how they will respond to each of SPD's and intervenor recommendations.

PCF comments that the RAMP Report does not enable the Commission or intervenors to track the cost-effectiveness of risk reduction activities over time. PCF adds that the RAMP Report does not contain the necessary information for proper evaluation and continues to be obscure even after repeated directions from the Commission requiring more transparency from Sempra Utilities. PCF cites numerous deficiencies, including the proposed inclusion of a stakeholder impacts attribute, not including climate change as a safety risk, excluding from analysis the Aliso Canyon well blowout, and lack of adequate support for the utilities' risk analysis. PCF agrees with the SPD report that the RAMP analysis lacks sufficient granularity and that the MAVF calculations imply an unrealistic value of consequences. PCF also states that alternatives have not been fully considered or adequately discussed and that other risks associated with Public Safety Power Shutoffs (PSPS) have not been properly considered in the RAMP.

Mussey Grade continues to recommend that SDG&E utilize power law distributions to describe extreme losses from wildfire with an appropriate high-end cutoff for its service area in both its financial loss and safety risk calculations. MGRA also recommends that SDG&E consult with public health experts and academics in order to choose more appropriate references for public health effects from wildfire smoke and that wildfire smoke and air quality be considered when estimating risk and mitigations from PSPS. Mussey Grade also had recommendations concerning SDG&E's hardening strategy, which covered conductor and advanced technology strategies and utilized ignition history and PSPS wind damage data. Like other parties, Mussey Grade objected to the value of statistical life currently used by SDG&E, including incorporating wind as a

factor affecting wildfire ignitions. Mussey Grade also agrees with several of SPD's recommendations, such as incorporating risk in covered conductor and undergrounding risk reduction estimates, considering alternatives, and adding more transparency to PSPS impacts.

Cal Advocates states that the Commission should require Sempra Utilities to submit a corrective action plan in the RAMP because of non-compliance issues identified in the SPD Report and by intervenors. Cal Advocates agrees with the deficiencies identified in the SPD Report, including lack of granularity in the tranches, incorrect time period for risk assessment, and failure to submit supporting data consistent with the Commission's rules. Cal Advocates adds that Sempra Utilities should also correct gaps in identifying risks and considering mitigation options such as factoring in climate change and clarifying the scope and level of risk mitigation programs. Cal Advocates also states that SDG&E should improve the granularity and transparency of its analysis of customer harm from PSPS events and recommends that SCG revise its risk analysis of the Ventura Compressor tranche. Finally, Cal Advocates comments that the safety impact of wildfire smoke on human health be assessed in future RAMP filings.

Sempra Utilities state that they will refine their risk management framework and implement many of SPD's suggestions for their Test Year 2024 GRC but disagree with SPD's recommendations concerning the Post-Test Years (PTY), arguing that the RAMP does not inform the PTYs. Sempra Utilities affirms that they will recalculate RAMP RSEs using 2023 as a baseline, will revisit the calibration of their MAVF, and drop customer satisfaction as an attribute to the MAVF. In addition, Sempra Utilities plan to adopt SPD's and other intervenors' recommendation regarding increased granularity in their risk analysis. Sempra Utilities also acknowledges the delay in submitting its workpapers for SPD and

parties to review and will explore whether providing RSEs for foundational activities in the TY 2024 GRC is feasible. SDG&E also states that it is continuing to evaluate improvements to its wildfire risk assessment, including a closer analysis of the inputs and assumptions that went into the RAMP analysis.

UWUA provided comments focusing on risks associated with an inadequate workforce and stated that a work lacking sufficient numbers and skills poses systematic risks of injury and damage that affect all risk events. UWUA supports SCG's proposals in addressing this issue but adds that SCG must plan concrete solutions guided by workers with subject matter expertise.

UCAN agrees with most of the analysis and recommendations in the SPD Report, such as the need for Sempra Utilities to provide more specific risk definitions and metrics related to utility operations. UCAN also agrees with TURN regarding the need for increased granularity in the use of trenches, modeling, and data development. In addition, UCAN recommends that capital cost spending in the GRC should not be authorized if RAMP report analytics and recommendations are not properly grounded.

SBUA supports several recommendations in the SPD Report such as using an updated 2023 baseline year, using a higher degree of risk separation and quantification via tranches with the likelihood of risk event and consequence of risk event for each tranche, preparing a summary of the most impactful and relevant tranches, clarifying why risk mitigation efficiency scores of 100 percent are allowed, and adjusting the value of statistical life downward as recommended in the SPD Report. SBUA also suggests consulting with small business communities when determining stakeholder satisfaction or removing it as a RAMP criterion.

3. Assigned Commissioner's Ruling (ACR)

On March 30, 2022, an ACR required Sempra Utilities to serve supplemental testimony in their GRC proceeding (ACR Ruling). The ACR Ruling resulted from recommendations in the SPD Report for Sempra Utilities to calculate the expected risk reduction for the 2024-2027 period and provide a revised RSE. In response to the SPD Report, Sempra Utilities asserted that they do not intend to incorporate SPD's recommendations to calculate the expected risk reduction for the 2024-2027 period and the revised RSE values for post-test years (2025-2027) in their TY 2024 GRC.⁵ The ACR Ruling clarified that the Commission will set rates for 2024-2027 in the GRC proceeding, and updated RSE values for post-test years (2025-2027) will be a significant data point in the Commission's decision-making process compared to analysis limited to 2021 baseline year. The ACR Ruling required Sempra Utilities to recalculate their post-test year (2025-2027) RSE values using 2023 as a baseline and show this calculation as part of their TY 2024 GRC presentation within eight weeks of filing their GRC Applications.

The recalculated RSEs for the 2025-2027 post-test year period are served as exhibits in the Sempra 2024 GRC proceeding.⁶

4. Integration of RAMP with TY2024 GRC

In RAMP, SoCalGas analyzed seven safety risks and seven cross-functional factors and SDG&E analyzed nine safety risks and eight cross-functional factors.

⁵ SDG&E's and SoCalGas's Comments on SPD Evaluation Report filed on December 6, 2021, at 2.

⁶ See SDG&E's and SoCalGas's Response to November 21, 2022 ALJ Ruling at 3.

On May 16, 2022, SoCalGas and SDG&E filed their TY 2024 GRC applications requesting authority to establish their revenue requirement for the period from January 1, 2024 through December 31, 2027.

During the review of Sempra Utilities RAMP reports, SPD and other parties identified several deficiencies in Sempra Utilities' RAMP report as well as areas that can be improved. Based on SPD Report, Sempra Utilities agreed to incorporate the following staff recommendations in the TY 2024 GRC:

(a) recalculate their 2021 RSE values using 2023 as a baseline for years 2024-2027 in its TY 2024 GRC and show this calculation as part of its TY 2024 GRC presentation; (b) recalculate the attribute weights and ranges in its multi-attribute value function (MAVF) by following the existing process outlined in D.18-12-014 and drop the Stakeholder Satisfaction attribute in its calculation of the MAVF; (c) develop tranche-specific Likelihood of Risk Event and/or Consequence of a Risk Event scores for each tranche; (d) increase granularity in its risk analysis and incorporate Wildfire Risk, and related provision of RSEs for foundational activities; and (e) streamline the access to workpapers for the parties to the proceeding.

On October 20, 2022 an ALJ ruling required Sempra Utilities to file and serve "information that identifies the exhibits, testimony, and workpapers" where the RAMP risks and related information were incorporated into the TY 2024 GRC and "information to identify the exhibits, testimony, and workpapers with revised risk spend efficiency calculations per the March 30, 2022, ACR's Ruling (GRC Map Ruling).

In their response, Sempra Utilities provided a road map of their compliance with the ordering paragraphs of the GRC Map Ruling. The mapping provides a description of exhibits and testimony wherein Sempra Utilities have

integrated RAMP to GRC, such as the process of integration and mapping RAMP risks, cross-functional factors, and mitigation activities to various witness testimony requesting funding for those activities. The mapping table shows that Sempra Utilities have provided supplemental testimony showing the expected risk reduction and revised RSE values for the 2025-2027 post-test years, which was required pursuant to the March 30, 2022 ACR Ruling.

Once the RAMP proceeding identifies the shortcomings or improvements needed, the RAMP and GRC processes are set up to allow a reasonableness review of RAMP to GRC integration and the impact of these changes within the GRC proceeding. Therefore, various RAMP-related testimonies and workpapers, compliance with Commission rulings, the reasonableness of the proposed controls and mitigations, and related costs shall be reviewed in Sempra Utilities TY 2024 GRC proceeding. The reasonableness of the proposed mitigations and corresponding costs must be supported by the record in the GRC before any authorization can be granted.

Attachment A through Attachment F provided in response to the GRC Map Ruling will be used in the GRC proceeding for reasonableness review.

5. Conclusion

Sempra Utilities' TY 2024 GRC is the first general rate case that would incorporate requirements of D.18-12-014 via the 2021 RAMP applications and SPD recommendations. RAMP Report and analysis is complete and in compliance with D.14-12-025, D.16-08-018, and the S-MAP Settlement adopted in D.18-12-014.

In their respective review of gaps in the RAMP Report in identifying risks and considering mitigation options, SPD and party recommendations include eliminating the Stakeholder Satisfaction attribute from the MAVF, allocating

cross-functional foundational costs, increasing the number of tranches used, and adjusting the baseline for costs from 2020 to 2023. Parties to the proceeding provided feedback through informal comments that were incorporated into the SPD RAMP report, as well as comments and reply comments on SDG&E's RAMP and the SPD Report.

Being timely is crucial in a proceeding as it impacts the transparency of the process. We find that Sempra Companies initially failed to submit sufficient and timely workpapers associated with their RAMP filings. As a result, SPD staff and parties were delayed in their ability to review documents essential to gain insight into the assumptions, calculations, and methodologies that underpin the RAMP reports in an already compressed and challenging timeframe. Sempra Utilities must show greater transparency and timeliness in providing workpapers in future RAMP proceedings.

Regarding RAMP to GRC integration, the joint response of Sempra Utilities shows Attachment A through Attachment F where (*i.e.*, in which SoCalGas and/or SDG&E testimony chapters) the risks are represented, and each TY 2024 GRC witness is identified, who sponsors mitigation activities associated with the Companies' RAMP risks outlined in their RAMP Report. The reasonableness review of RAMP-related risks and costs is scoped in Sempra Utilities 2024 GRC proceeding.

Sempra Utilities have met their compliance requirements to file a RAMP report, SPD and parties to the proceeding have reviewed and provided comments to the utilities. The utilities have integrated the comments and feedback in their GRC proceeding. Whether the utilities have incorporated all or some of the comments is now a subject of review in the GRC proceeding. Therefore, Sempra Utilities' 2021 RAMP proceeding should be closed.

6. Comments on Proposed Decision

The proposed decision of ALJs Rafael Lirag and Manisha Lakhanpal in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

7. Assignment of Proceeding

Commissioner Darcie L. Houck is the assigned Commissioner, and Rafael Lirag and Manisha Lakhanpal are the assigned ALJ's in this proceeding.

Findings of Fact

1. On May 17, 2021, Sempra Utilities filed their respective 2021 RAMP Applications Pursuant to and in compliance with the procedures adopted in D.14-12-025, D.16-08-018, and D.18-12-014.
2. SPD reviewed the RAMP Report for consistency and compliance.
3. The RAMP Report provides a baseline assessment of safety risks to the public, SDG&E's and SoCalGas's employees and systems, and what potential mitigation measures were considered.
4. Parties were given the opportunity to provide comments and various intervenors filed comments to both the RAMP Report and the SPD Report.
5. The ACR Ruling required SDG&E and SoCalGas to recalculate RSEs for the 2025-2027 post-test year period.
6. The final step in this RAMP process was to integrate the RAMP filing and comments from SPD and intervenors in the TY 2024 GRC application.
7. The testimony and workpapers in Sempra Utilities TY 2024 GRC incorporate feedback from the RAMP process and provide an assessment of

RAMP risks, proposed controls and mitigations, and forecast costs to implement RAMP mitigations.

8. Proposed spending for risk mitigation programs and activities and the efficiency of risk mitigation funding are to be reviewed in Sempra Utilities TY 2024 GRC application.

9. The SPD Report and comments from intervenors include suggestions and criticisms regarding the RAMP Report as well as recommendations to further improve the RAMP process.

Conclusions of Law

1. Sempra Utilities' RAMP Report complies with D.14-12-025, D.16-08-018, and D.18-12-014.

2. Sempra Utilities have mapped RAMP risks outlined in their RAMP Report, revisions based on the SPD Report, and requirements per the ACR Ruling to the TY 2024 GRC applications.

3. No further action in this proceeding is required.

4. Further improvements to the RAMP process recommended by SPD and intervenors should be considered and addressed in Sempra Utilities' next RAMP filing.

5. Suggestions that are applicable to the TY 2024 GRC proceeding should be addressed in A.22-05-015 et al.

6. This RAMP proceeding should be closed.

O R D E R

IT IS ORDERED that:

1. Southern California Gas Company and San Diego Gas and Electric Company shall address and consider in their next Risk Assessment Mitigation

Phase (RAMP) filing, comments and suggestions for further improvements to the RAMP process by the Safety Policy Division and by intervenors.

2. Consolidated Applications (A.) 21-05-011 an A.22-05-014 are closed.

This order is effective today.

Dated _____, at San Francisco, California