BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Application of Southern California Edison Company (U 338-E) for Authority to Recover Costs Related to the 2018 Woolsey Fire Recorded in the Wildfire Expense Memorandum Account and Catastrophic Event Memorandum Account.	Application 24-10-002

PROTEST OF THE PUBLIC ADVOCATES OFFICE TO THE APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY TO RECOVER COSTS RELATED TO THE 2018 WOOLSEY FIRE

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I. INTRODUCTION

Pursuant to Rule 2.6 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) files this protest to Application (A.) 24-10-002, filed by Southern California Edison Company (SCE) (Application). In this Application, SCE seeks Commission approval to recover approximately $5.4 billion in costs incurred as of August 2024 to resolve third-party claims related to the 2018 Woolsey Fire. This request includes associated financing costs and other trailing costs to be updated later in the proceeding, which SCE recorded or will record in the Wildfire Expense Memorandum Account (WEMA). SCE also seeks to recover approximately $84 million in restoration-related costs, which SCE recorded in the Catastrophic Event Memorandum Account (CEMA).[1]

Cal Advocates is currently conducting discovery on SCE's requested relief and anticipates making its recommendations after further review and analysis.

II. BACKGROUND

In Commission Decision (D.)18-04-001, the Commission approved SCE's application to establish a WEMA to track incremental, unreimbursed wildfire liability-related costs, effective April 3, 2018.[2] D.18-04-001, however, does not grant SCE automatic ratepayer recovery resulting from any wildfire-related costs; such recovery requires express authorization from the Commission in separate cost-recovery proceedings.[3]

On November 8, 2018, the Woolsey Fire ignited at the Santa Susana Field Laboratory in the Simi Valley area of Ventura County. Cal Fire and Ventura County Fire Department (VCFD) collaborated to prepare the Woosley Fire Incident Report (Cal Fire

[1] The notice of the filing of the Application appeared on the Commission's Daily Calendar on October 11, 2024. Cal Advocates' protest is timely filed under Rule 2.6(a).

[2] D.18-04-001, *Decision Authorizing Southern California Edison Company to Establish a Wildfire Expense Memorandum Account*, at 10.

[3] D.18-04-001 at 7, 10, Conclusion of Law 4.

Report).[4] According to the Cal Fire Report, the Woosley Fire was caused by a down-guy wire attached to SCE's lightweight steel pole, which made contact with an SCE distribution jumper cable.[5] The fire remained active for 57 days, and it ultimately consumed more than 95,000 acres in total. The Woolsey Fire destroyed or damaged an estimated 2,007 structures and resulted in three fatalities.[6] SCE subsequently conducted an investigation into the origin and cause of the Woosley Fire and does not dispute the conclusion of the Cal Fire Report.[7]

SCE and the Commission Safety and Enforcement Division (SED) entered into an Administrative Consent Order (ACO) to resolve SED's allegations that SCE violated certain rules and regulations related to the Woosley Fire and other wildfires.[8] On December 20, 2021, the Commission approved the ACO in Resolution SED-5.[9] The ACO stipulated that SCE shall pay $110 million in fines to the State of California and perform $65 million in shareholder-funded safety measures. The ACO also permanently disallows recovery of $250 million in claims related to the Woolsey Fire (and an additional $125 million in claims related to other fires).[10]

Beginning in November 2018 and continuing into June 2024, 656 lawsuits comprising 9,574 plaintiffs were initiated against SCE in connection with the Woolsey Fire.[11] SCE asserts that, as of August 31, 2024, it has resolved third-party claims that represent 92 percent of SCE's estimated liabilities for these civil litigation matters, and it

[4] Cal Fire, Woolsey Fire Incident, available at https://www.fire.ca.gov/incidents/2018/11/8/woolsey-fire/.

[5] Application at 3-4.

[6] Application at 3.

[7] Application at 3.

[8] Application at 5.

[9] *Resolution SED-5 Approving Administrative Consent Order and Agreement of the Safety and Enforcement Division and Southern California Edison Company (U338-E) Regarding the 2017/2018 Southern California Fires Pursuant to Resolution M-4846,* Dec. 20, 2021.

[10] Resolution SED-5 also resolves issues involving four 2017 wildfires.

[11] Application at 6.

has resolved claims with all subrogation plaintiffs and most public entities.[12] SCE states that it has recorded the costs of all these settlements in its WEMA, in the amount of approximately $5.4 billion.[13] Additionally, SCE seeks to recover approximately $84 million for the costs of repairing or replacing facilities and restoring service after the Woolsey Fire, which are recorded in a CEMA.[14] [15]

III. ISSUES TO BE CONSIDERED

The Commission should adopt SCE's proposed scope of issues, with modifications for accuracy and consistency.[16] Instead of SCE's proposed first and second issues,[17] the following issues should be in the scope:

1. Whether SCE was prudent with respect to the design, construction, operation, engineering, and maintenance of any facilities linked to the ignitions of the Woolsey Fire.
2. Whether it would be just and reasonable for SCE to recover, in rates, the costs sought in their Application.

These revisions align the scope more closely with the 2017 Thomas Fire cost recovery proceeding. The first revised issue is a nearly verbatim copy of the first issue in 2017 Thomas Fire proceeding's scoping memo, while the second revised issue mirrors the second scoped issue in that proceeding, incorporating the "just and reasonable"

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[12] Application at 6. SCE identifies that the remaining pending claims include a claim by the California Office of Emergency Services (Cal OES) and a cross-claim against SCE by the Mountains Recreation and Conservation Authority (MRCA), and individual plaintiffs representing 235 households.

[13] In the WEMA, the $5.4 billion total charges include $5.4 billion of costs to settle claims, $1.0 billion of revenue from SCE's liability insurance, $92 million of costs for outside counsel and experts, and $939 million of financing costs. SCE does not provide an estimate of remaining liabilities, but they can be imputed at $469 million.

[14] The Commission authorized SCE to establish a CEMA to record the costs of (a) restoring utility service to customers; (b) repairing, replacing, or restoring damaged utility facilities; and (c) complying with government agency orders resulting from declared disasters. Resolution E-3238, *Order Authorizing All Utilities to Establish Catastrophic Event Memorandum Accounts, as Defined, to Record Costs Resulting from Declared Disasters*, Jul. 24, 1991, at 1; Public Utilities Code (Pub. Util. Code) § 454.9.

[15] Application at 16.

[16] Application at 22-23.

[17] Application at 22. ["1. Whether SCE should be authorized to recover the costs sought in the Application; 2. Whether the damages caused by the Woolsey Fire resulted from SCE imprudence."]

standard and specifying that costs would be recovered "in rates."[18] Cal Advocates reserves the right to identify and address additional issues as its discovery and analysis proceeds.

IV. CATEGORIZATION AND NEED FOR HEARING

Cal Advocates agrees with SCE that this proceeding should be categorized as ratesetting under Rule 2.1(c) and that evidentiary hearings may be necessary.[19]

V. PROPOSED SCHEDULE

The procedural schedule that SCE proposes provides insufficient time for intervenors to conduct discovery and prepare testimony.[20] This Application presents complex issues of fact and law. Based on a review of investigation reports prepared by Cal Fire and SED, as well as a preliminary review of SCE's testimony, Cal Advocates will require extensive discovery and analysis. As a point of reference, in the similar cost-recovery proceeding related to the 2017 Thomas Fire (A.23-08-013), Cal Advocates served 62 data requests that comprised over 450 questions (and numerous parts of questions). In that proceeding, Cal Advocates served extensive prepared testimony related to the prudence of SCE's management, wildfire risk factors, and the causes of the Thomas Fire ignitions. Cal Advocates' testimony and the associated attachments totaled approximately 2,500 pages. Moreover, the instant Application seeks *double* the costs that SCE sought to recover in A.23-08-013.

Cal Advocates is also concerned that this proceeding overlaps with the schedule for reviewing wildfire mitigation plans (WMPs). Cal Advocates relies on the same skilled staff to review WMPs as it does to analyze the prudence of SCE's operations in this proceeding. The Office of Energy Infrastructure Safety has not yet issued a schedule for submission and review of the 2026-2028 comprehensive WMPs, which electric utilities are likely to submit in spring 2025. Cal Advocates does not set the WMP review

[18] A.23-08-013, Assigned Commissioner's Scoping Memo and Ruling at 5.

[19] Application at 25.

[20] Application at 25-26.

schedule,[21] and many of its subject-matter experts on wildfire safety matters will be involved.

Given the magnitude of the costs at stake in this proceeding, the Commission should allow a reasonable amount of time for intervenor testimony. In A.23-08-013, intervenors had 9.5 months to prepare and serve testimony.[22] A similar schedule would be appropriate in the instant proceeding.

SCE seeks a final decision on this Application within 18 months of filing.[23] This timeline can be achieved, or very nearly so, by reducing the time between testimony, hearings, and briefs in SCE's proposed schedule.

Cal Advocates recommends the following procedural schedule:

Event	**Estimated time required**	**SCE's Proposed Date[24]**	**Date**
Application filed	N/A	October 8, 2024	October 8, 2024
Intervenor testimony	9 months from filing	Mid-March 2025	July 3, 2025
Rebuttal testimony	6 weeks from opening testimony	Mid-May 2025	August 15, 2025
Status conference regarding hearings	N/A	None provided	August 29, 2025
Evidentiary hearings[25]	7 weeks from rebuttal testimony	Mid-August 2025	October 6-10, 2025
Back-up dates for hearings[26]	N/A	None provided	November 3-7, 2025
Opening briefs	6 weeks from hearings	Mid-October 2025	November 25, 2025

[21] Pub. Util. Code § 8386(b).

[22] SCE filed A.23-08-013 on August 22, 2023. The Scoping Memo scheduled intervenor testimony on May 29, 2024, but this deadline was later extended to June 6, 2024.

[23] SCE's Application at 25-26.

[24] SCE's Application at 26.

[25] At this time, Cal Advocates preliminarily estimates that one full week of hearings is appropriate.

[26] The Commission should reserve hearing rooms, staff and technology for two sets of dates for evidentiary hearings. Scheduling alternative dates provides flexibility in case parties open settlement negotiations and make progress, but need additional time to either complete the negotiations or prepare for hearings.

Event	Estimated time required	SCE's Proposed Date[24]	Date
Reply briefs	4 weeks (plus holidays)	Mid-November 2025	December 30, 2025
Proposed decision	3 months	February 2026	March 2026
Final decision	1 month	March 2026	April 2026

VI. CONCLUSION

Cal Advocates respectfully submits this protest and recommends that the Commission adopt its recommendations.

Respectfully submitted,

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