PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WILDFIRE SAFETY DIVISION

RESOLUTION WSD-014 June 24, 2021

<u>RESOLUTION</u>

RESOLUTION WSD-014 Approving Tier 3 Advice Letters from six electric utilities describing "Off Ramp" mitigation measure modifications from 2019 Wildfire Mitigation Plan activities.

SUMMARY:

This Resolution approves six Tier 3 Advice Letters (AL) filed in response to Decision (D.) 19-05-036, Ordering Paragraph 1. D.19-05-036 provided guidance for implementation of 2019 Wildfire Mitigation Plans (WMPs) filed by electrical corporations. Among other matters, this "Phase 1 Guidance Decision" provided for "Off-Ramps", so the electrical corporations do not continue mitigation measures that are not effective, and they have the flexibility to increase measures showing great promise.

The ALs being considered herein are:

Liberty Utilities/Cal-Peco Electric (Liberty) AL 143-E, filed May 27, 2020; PacifiCorp AL 616-E, filed May 29, 2020; Bear Valley Electric Service (BVES) AL 390-E, filed May 29, 2020; Pacific Gas and Electric (PG&E) AL 5837-E, filed June 1, 2020; San Diego Gas & Electric (SDG&E) AL 3549-E, filed June 1, 2020; and Southern California Edison (SCE) AL 4222-E, filed June 1, 2020.

Three of the ALs (PG&E, SCE and SDG&E) were timely protested by Protect Our Communities Foundation (PCF). The others did not receive any protests and were non-controversial.

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PROPOSED OUTCOME:

• This Resolution rejects PCF's protests and grants approval for all six ALs, effective as of the dates of their initial filing.

SAFETY CONSIDERATIONS:

- Mitigation of catastrophic wildfires in California is among the most important safety challenges the Commission-regulated electrical corporations face. WMPs detail the electrical corporations' proposed actions to help prevent catastrophic wildfire, so comprehensive WMPs are essential to safety.
- The Off-Ramp process approved in D.19-11-036 allows utilities to modify approved mitigations so they do not continue mitigation measures that are not effective, and they have the flexibility to increase measures showing great promise.

ESTIMATED COST:

• Nothing in this Resolution should be construed as approval of the costs associated with the WMP mitigation efforts.

BACKGROUND

Catastrophic wildfires in 2017-19 led the California Legislature to pass Senate Bill (SB) 901 in 2018 and its successor Assembly Bill (AB) 1054 in 2019, as well as AB 111. SB 901 and AB 1054 contain detailed requirements for electrical corporations' WMPs and provide a 90-day review cycle of WMPs by the Wildfire Safety Division (WSD). AB 111 establishes a new division, the WSD, within the Commission. The duties of the WSD are contained in Pub. Util. Code Section 326(a), including to evaluate, oversee and enforce electrical corporations' compliance with wildfire safety requirements, and develop and recommend to the Commission performance metrics to achieve maximum feasible wildfire risk reduction. SB 901 required a formal Commission proceeding for WMP review in 2019, and to that end the Commission reviewed the 2019 WMPs in Rulemaking (R.) 18-10-007. The decisions dispensing of the 2019 WMPs also added additional requirements for the 2020 WMPs. The Commission issued its 2019 WMP decisions on May 30, 2019.¹ The overarching "Phase 1 Guidance Decision" D. 19-05-036 Ordering Paragraph (OP) 1 directed each utility to file two sets of Tier 3 ALs, at sixmonth intervals following approval of their 2019 WMPs, with the AL providing a report on any concerns the utility might have about the feasibility of its mitigation plans. Each report should clearly describe any concern the utility might have about the effectiveness of any mitigation programs approved as part of its WMP, "contain a specific proposal for action, including if applicable a recommendation to reduce or end the specific mitigation identified, and include any expert or other authoritative information available on the efficacy of the mitigation."²

These ALs represent the second set of Off Ramp filings. The initial set of Off Ramp ALs were addressed in D. 20-03-004, rather than via Resolution, because they required legal interpretation of the Guidance Decision.³

These Advice Letters and the projects described were part of the 2019 WMPs approved in May 2019. Subsequently, the utilities filed and received conditional approval for 2020 WMPs on June 11, 2020.⁴ As described below, the modifications described in these Off-Ramp reports have largely been incorporated into the 2020 WMPs. As part of those WMP approvals, a new system for reporting on changes to approved mitigations was instituted in Resolution WSD-002, calling for "Change Order Report" filings to describe any modifications to mitigation measures. Therefore, the Tier 3 AL reporting requirement imposed by D. 19-05-036 has been superseded.

¹ Decisions 19-05-036, -037, -038, -039, -040 and -041 (May 30, 2019).

² D.19-05-036, OP 1, pg. 40-41, issued June 3, 2019.

³ D. 20-03-004 granted approval to PG&E AL 5703-E, SDG&E AL 3472-E, and Liberty AL 133-E. BVES AL 34-E was approved with conditions. SCE AL 4120-E was approved but the proposed Battery Backup Incentive Program was denied, without prejudice. PacifiCorp AL 596-E was denied without prejudice.

⁴ BVES resubmitted their 2020 WMP on September 18, 2020, as ordered by WSD's August 20, 2020 Action Statement. Subsequently, the WSD conditionally approved BVES's resubmission and the CPUC ratified WSD's action in Resolution WSD-013 on January 14, 2021.

Description of the Advice Letters

Liberty AL 143-E: Liberty reported "no specific concerns about the effectiveness of any program in its 2019 WMP beyond concerns reported in [initial Off-Ramp AL] 133-E."

PacifiCorp AL 616-E: PacifiCorp reported that it "does not have any Off-Ramp program candidates to report at this time."

PG&E AL 5838-E: PG&E stated that it has not identified concerns about the effectiveness of the programs identified in its approved 2019 WMP.

BVES 390-E: In its initial Off-Ramp report, BVES had stated that its proposed Radford Line Covered Conductor Replacement Project "must be revised and will be delayed due to high bid costs." In D.20-03-004, the Commission granted approval of the request under the condition that "*Bear Valley may only de-energize the line it identifies as the 'Radford Line' if such de-energization complies with the Commission's existing de-energization rules, as set forth in Resolution ESRB-8 and R.18-12-005.*"⁵

In its second report, BVES affirmed that it would meet this condition. However, it also reported additional delays to the project, stating: "[T]he newly contracted engineering services company began design work on the Radford Line in October 2019 and completed the design in December 2019. BVES issued a request for proposal in January 2020 and the scope of work is based on the engineering design. An electrical contractor was tentatively selected as best value bidder for construction in March 2020. However, contract negotiations and permitting process with the US Forest Service have been slowed down by the Covid-19 pandemic."

Otherwise, BVES did not propose to reduce or amend its proposed mitigations.

Current Status: In its revised 2020 WMP, filed in September 2020, BVES continued to include the Radford overhead project, but now specifies an

⁵ D.20-03-004, COL 7, pg. 37.

October 2021 completion date. Under Lessons Learned narrative, BVES stated, "US Forest Service permitting process has proven to be longer and more cumbersome than in previous projects."⁶

Because the 2020 WMP supersedes the 2019 WMP, BVES's explanation of the reason for delay and altering its completion date estimate is reasonable.

SDG&E 3549-E: SDG&E stated that its program for community outreach via Community Fairs and Wildfire Safety Open House events requires a modification due to the impacts of the COVID-19 pandemic, which may impact its effectiveness. The utility said that during 2020, it will replace the Wildfire Safety Open House events with fire preparedness webinars and the Wildfire Safety Fairs will move forward as drive-thru events, which will allow for the safe distribution of preparedness materials.

Current Status: Although SDG&E's 2020 WMP expressed a commitment to continuing Open Houses over the next ten years, it also stated in its most recent Quarterly Report, "COVID-19 has altered how we communicate and perform community outreach to share information on the program and projects. Specifically, SDG&E is limiting in-person contact, and is making every effort to communicate via phone calls, mailing letters, and equipping our field survey crews with fact sheets and door hangers with information related to the projects/program to distribute to community residences and public areas. In addition, SDG&E is developing a website to provide customers with additional information."⁷

SDG&E's 2020 WMP supersedes the project descriptions in the Off-Ramp report. Changes to the Wildfire Safety Open Houses contemplated in AL 3549-E have been effectuated in the approved 2020 WMP.

⁶ Bear Valley Electric Service Wildfire Mitigation Plan, 2020 Final Action Statement Refiling, September 18, 2020 found at:

https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/ Divisions/WSD/BVES%202020%20WMP%20Refile%2009.18.2020A.pdf

⁷ SDG&E Quarterly Report on 2020 Wildfire Mitigation Plan for Q3 2020, September 9, 2020; pg. 111.

SCE AL 4222: SCE reported some concerns and potential changes to three of its WMP mitigation measures in these areas:

• Community Outreach, Public Awareness, and Communications Efforts – Activity DEP-3 – Investor Owner Utility (IOU) Customer Engagement

SCE indicated a potential to either increase or terminate one aspect of this project.

SCE described its IOU Customer Engagement effort as a multi-channel, multi-lingual campaign using digital ads, social media ads and radio ads to provide customers with important and consistent messaging about wildfire mitigation activities happening across the state. In 2019, a statewide education campaign ran from May-July and then pivoted to local campaigns through December (DEP-1.3). Early analysis suggested that SCE's local campaigns were more effective than statewide campaigns in making customers aware of wildfire efforts.

SCE communicated with the other IOUs and California Governor's Office of Emergency Services a desire to end this statewide initiative and place more emphasis on local campaigns. SCE said it was further analyzing campaign awareness survey data, but that as of the filing it had suspended this initiative in order to determine whether or not the stateside campaign should be abandoned.

Current status: In its First Quarterly Report on Compliance with 2020 WMP deficiencies findings, SCE reported that the Customer Engagement Program DEP-3 "is no longer being pursued as a 2020 WMP activity."⁸

 Microgrid Assessment – Activity Public Safety Power Shut-Offs (PSPS)-8 – PSPS Resiliency Zone

SCE indicated it would modify this program. The "Resiliency Zone" concept was born out of SCE's efforts to reduce customer impacts of PSPS events. As

⁸ Southern California Edison Company's First Quarterly Report on 2020-2022 Wildfire Mitigation Plan for Class B Deficiencies, Sept. 9, 2020. Appendix B, B-2

part of this effort, SCE determined that customer impacts could be further reduced in rural communities previously impacted by PSPS events by keeping essential services electrified. SCE said it is augmenting (or modifying) this activity by initiating a pilot program to provide a mobile generator backup to electrify certain essential services in rural areas previously impacted by PSPS event. This pilot would enable SCE to evaluate the benefit derived by the community with respect to energizing essential services. If successful and the benefits support the costs, SCE said it may recommend expanding this to other communities in a phased approach in 2021.

Current Status: As part of its 2020 WMP, SCE included an expanded pilot program for PSPS-8, stating it plans to "1) Execute RFP for six resiliency microgrid projects; 2) Depending on RFP results, implementation of up to 6 resiliency microgrid projects shown to be technically feasible and cost-effective."⁹

The changes to PSPS-8 described in AL 4222 have been superseded by the approval of the 2020 WMP.

• Customer Resiliency Equipment Incentives – Activity PSPS-3 – PSPS Well Water Resiliency Generator Incentive

SCE indicated a potential to modify its Customer Resiliency Equipment Incentives initiative by adding a \$300 to \$500 equipment incentive for residential, small commercial, and schools who are dependent on well water. SCE said it expected to begin the outreach phase of this program in June and assess its effectiveness and need throughout the year.

Current Status: In its 2020 WMP, SCE no longer included this mitigation measure for well water resiliency. Instead PSPS-3 was recast to develop a customer resiliency equipment incentive pilot program that provides financial

⁹ SCE 2020 WMP 5.3.3.2 pg. 5-16. Details of SCE's PSPS microgrid pilot may be found in its Comments on Track 1 Microgrid and Resiliency Strategies Staff Proposal (January 30, 2020), at http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M325/K544/325544944.PDF

support to customers willing to increase resiliency within its HFRA. One customer will be implemented for this pilot in 2020.¹⁰

The changes to PSPS-3 described in AL 4222 have been superseded by the approval of the 2020 WMP.

NOTICE

Notice of Liberty AL 143-E, PacifiCorp AL 616-E, BVES AL 390-E, PG&E AL 5837-E, SDG&E AL 3549-E, and SCE AL 4222-E was made by publication in the Commission's Daily Calendar.

PROTESTS

Protests of the Advice Letters

On June 22, 2020, the Protect Our Communities Foundation (PCF) filed timely protests against the PG&E, SCE and SDG&E ALs, in a consolidated protest. PCF did not object to any of the specifics of the Off-Ramp reports, but rather based its protests on the following grounds:

- The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
- The analysis, calculations, or data in the advice letter contain material errors or omissions;
- The relief requested in the advice letter is pending before the Commission in a formal proceeding;
- The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process.

PCF argued that the "evaluation and resolution of the utilities' Second Off Ramp Reports should not be addressed via informal advice letter" but rather in the WMP rulemaking proceeding R.18-10-007. The group also contended that the

¹⁰ SCE 2020 WMP, 5.3.6.5.2, pg. 5-15

advice letters failed to include any description of its then-pending request for rehearing of D.20-03-004.¹¹

PCF did not include the smaller utilities in its protest, and no other protests were received.

Utility Responses to PCF:

PG&E, SCE and SDG&E responded to the PCF protests with separate replies that exhibited uniform objections: that PCF misunderstood the purpose of the Tier 3 ALs and misconstrued the Commission's determinations in D.20-03-004. They argued that the Off-Ramp Report is not a vehicle for parties to relitigate decisions approving WMPs, and it is not a vehicle for the utilities to address any perceived deficiencies identified by the Commission.

In addition, the utilities pointed out that in D.20-03-004, the Commission explained that the provision to describe "any concerns about the effectiveness of any program in their individual Wildfire Mitigation Plans' is a condition solely for the Investor-Owned Utilities (IOU) to assess and not other parties."¹²

DISCUSSION

For the reasons articulated below, Staff has determined that PCF's protests should be rejected. The following discussion addresses each of PCF's arguments.

A) SDG&E, SCE, and PG&E fail to mention that the Commission decided in D. 20-03-004 that the Off Ramp Report advice letters

¹¹ PCF on April 17, 2020, filed a Request for Rehearing of D. 20-03-004, alleging that the Commission had approved its decision on an incomplete statement of the record of the case by neglecting to include mention of PCF's opening comments, and challenging the utility's approval of the 2019 WMPs. While PCF had mentioned another party's protests of the disposition of the first Off-Ramp Report ALs in its rehearing request, it did not base its challenge on those determinations, but rather claimed the decision inaccurately portrayed the other party's comments on the inadequacy of those ALs. The Commission subsequently issued D. 20-09-041 on September 28, 2020, modifying D. 20-03-004 to include the neglected reference but rejected PCF's request for rehearing.

¹² SCE Reply to the Protest by Protect Our Communities Foundation, June 29, 2020, pg. 3.

should be evaluated and resolved in R.18-10-007 as opposed to via the advice letter process in individual Commission resolutions.

Response: D. 20-03-004 did not determine that the second Off-Ramp ALs should be adjudicated in the rulemaking proceeding. It was specifically limited to the first set of ALs, determining that implementation required interpretation of the previous order's Off Ramp provisions. The decision listed the advice letters to be addressed.¹³ It made no statement at all about subsequent Off-Ramp ALs.

B) Despite the Commission's express requirement that the utilities describe "any concerns about the effectiveness of any program in their individual Wildfire Mitigation Plans," the utilities' Second Off Ramp Reports fail to describe any concerns raised by the Commission to date, much less the concerns raised by the parties to this proceeding and others.

Response: PCF misconstrues the findings of the decision. In dismissing Public Advocates' protest of the initial PG&E AL, D. 20-03-004 held (citing the Off-Ramp provision of D. 19-05-036):

"The provision asks the IOU to describe concerns, not other parties. While the Commission may disagree with an IOU's or SMJU's determination in its Off-Ramp Advice Letter of whether a mitigation measure is effective, the Commission's process for determining effectiveness is separate from the Off-Ramp Advice Letter process. As noted earlier in this decision, Wildfire Safety Division will oversee the independent evaluation of WMPs, and metrics for determining WMPs' effectiveness will be applied at that time. Therefore, the Advice Letter has no bearing on whether the

¹³ "We amend D.19-05-036 to address the Off-Ramp ALs in this formal proceeding rather than by resolution, since passing on the ALs requires interpretation of the language of D.19-05-036." Pg. 27 The decision then provided a listing of the specific ALs to be addressed: PG&E 5703-E, SCE 4120-E, SDG&E 3472-E, Bear Valley 374-E, Liberty 133-E, and PacifiCorp 596-E.

Commission or other parties believe any of PG&E's wildfire mitigation is effective." 14

C) "[E]valuation and resolution of the utilities' Second Off Ramp Reports should not be addressed via informal advice letter. In addition to the fact that PCF's Application for Rehearing of D.20-03-004 was then pending, the Commission's constitutional and statutory obligations to actively supervise the utilities requires that the Off Ramp Reports be evaluated and resolved in a formal proceeding, and D. 20-03-004 requires that such evaluation and resolution occur in R.18-10-007.

Response: Again, PCF misconstrues the intent of D.20-03-004 to address the first set of Off-Ramp reports but not subsequent ALs.

D.19-05-036 established the process for utilities to file their Off-Ramp reports as Tier 3 Advice Letters, which require Commission approval (either in the form of a Resolution or a decision, as was employed for the initial Off-Ramp ALs). D. 20-03-004 was concerned only with that initial set of filings and did not establish a precedent for treating subsequent Off-Ramp filings in R.18-10-007.

Notwithstanding PCF's Application for Rehearing of D. 20-03-004, the decision's treatment of the Off-Ramp Advice Letters stands. D. 20-09-041 issued September 28, 2020, addressed PCF's application by modifying D. 20-03-004 to include information about parties' filings that was inadvertently left out of the original decision, but the Commission declined PCF's rehearing request.

D.20-09-041 also noted that PCF's rehearing request did not specifically challenge the Off-Ramp determinations of D.20-03-004 but was merely

¹⁴ D.20-03-004, pgs. 28-29.

referencing Public Advocates' argument that the ALs should include concerns raised by non-utilities.¹⁵

Disposition of the Advice Letters:

Because they do not identify any concerns or propose any modifications to WMP program activities or mitigation measure, the ALs from Liberty, PacifiCorp, PG&E are approved.

BVES's reported delay to the Radford Covered Conductor Replacement Program is noted, and in its more recent WMP filing, BVES has deferred the expected project completion date to October 2021. AL 390-E is approved.

SDG&E's modification of its Community Outreach Program is reasonable given the constraints on conducting Community Outreach and Open House programs during the COVID-19 pandemic. AL 3549-E is approved.

SCE's three program modifications have been incorporated into the 2020 WMP, with the elimination of two of the individual measures and expansion of the pilot program for microgrids. This supersedes the 2019 WMP. SCE's AL 4222-E is approved.

Utility	Advice Letter	Disposition
Liberty Utilities	143-Е	Granted
PacifiCorp	616-E	Granted
PG&E	5837-Е	Granted
BVES	390-Е	Granted
SDG&E	3549-Е	Granted
SCE	4222-Е	Granted
PCF Protests		Rejected

Disposition of the Second Round Off-Ramps Reports

¹⁵ "We generally give little weight to 'me too' pleadings that simply opt to piggyback on to other parties' pleadings and positions. And in any case, we did discuss the relevant concerns by having addressed the protest submitted by the Public Advocates Office. Accordingly, we did lawfully consider all the issues and comments that were relevant to the challenged determination." D. 20-09-041, pg. 4.

The Commission has reviewed the proposed disposition of these Advice Letters and rejects PCF's protests of AL 5837-E, AL 3549-E and AL 4222-E based on the technical grounds described. The six Off Ramp reports are accepted as of their dates of filing.

IMPACT OF COVID-19 PANDEMIC

On March 19, 2020, California Governor Gavin Newsom signed Executive Order N-33-20 requiring Californians to stay at home to combat the spread of the COVID-19 virus. Specifically, Governor Newsom required Californians to heed the order of the California State Public Health Officer and the Director of the California Department of Public Health that all individuals living in California stay home or at their place of residence, except as needed to maintain continuity of operation of the federal critical infrastructure sectors, in order to address the public health emergency presented by the COVID-19 disease (stay-at-home order).¹⁶

As articulated in the March 27, 2020, joint letters¹⁷ of the WSD, CAL FIRE and the California Governor's Office of Emergency Services regarding essential wildfire and PSPS mitigation work during COVID-19 sent to each electrical corporation, electrical corporations are expected to continue to prioritize essential safety work. In the year following WSD has expected the electrical corporations to make every effort to keep WMP implementation progress on track, including necessary coordination with local jurisdictions. Such effort is essential to ensuring that electrical corporations are prepared for the upcoming and subsequent wildfire seasons, while complying with COVID-19 restrictions requiring residents to shelter-in-place, practice social distancing, and comply with other measures that California's public health officials may recommend or that Governor Newsom or other officials may require in response to the COVID-19 pandemic.

Moving into 2021, the WSD expects the electrical corporations to continue to make meaningful progress on WMP mitigation goals. In addition, electrical

¹⁶ Executive Order N-30-20. Available at http://covid19.ca.gov/img/Executive-Order-N-30-20.pdf.

¹⁷ https://www.cpuc.ca.gov/covid/. Letters to each electrical corporation are found under the heading "Other CPUC Actions", March 27, 2020: Joint Letters to IOUs re: Essential Wildfire and PSPS Mitigation Work.

corporations are expected to undertake any other critical work related to operating a safe and reliable grid and to mitigate wildfire and/or PSPS risk.

COMMENTS

Pub. Util. Code § 311(g)(1) provides that resolutions must be served on all parties and subject to at least 30 days public review and 20 days comment period prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding. The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, a draft of this resolution was mailed to parties for comments on May 19, 2021.

No comments were submitted; therefore, no substantive changes were made to this Resolution.

FINDINGS

- 1. The Off-Ramp process approved in D.19-05-036 allows utilities to modify approved mitigations so they do not continue mitigation measures that are not effective, and they have the flexibility to increase measures showing great promise.
- 2. The Second Off Ramp reports by the utilities fulfill the requirements of D.19-05-036 Ordering Paragraph 1.
- 3. The Advice Letter reporting mechanism adopted in D. 19-05-036 has been superseded by the "Change Report" requirements adopted in WSD-002 for the 2020 WMPs.
- 4. The mitigation measure modifications reported by BVES, SCE and SDG&E in their respective ALs have been incorporated into or eliminated from the utilities' 2020 WMPs.
- 5. D.20-03-004 did not determine that the second Off-Ramp Advice Letters should be adjudicated through the rulemaking process.

THEREFORE, IT IS ORDERED THAT

- 1. The protests filed by Protect Our Communities Foundation are rejected.
- 2. Approval of the six advice letters reporting on the WMP Off-Ramps is granted as described herein.
- 3. Nothing in this Resolution should be construed as a defense to any enforcement action for a violation of a Commission decision, order, or rule.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 24, 2021; the following Commissioners voting favorably thereon:

> <u>/s/ Rachel Peterson</u> RACHEL PETERSON Executive Director MARYBEL BATJER President MARTHA GUZMAN ACEVES CLIFFORD RECHTSCHAFFEN GENEVIEVE SHIROMA DARCIE HOUCK Commissioners