PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**WILDFIRE SAFETY DIVISION RESOLUTION WSD-016**

**July 15, 2021**

Resolution

RESOLUTION WSD-016 Resolution Ratifying Action of the Wildfire Safety Division on Trans Bay Cable’s and Horizon West Transmission’s 2021 Wildfire Mitigation Plan Update Pursuant to Public Utilities Code Section 8386.

This Resolution ratifies the attached Action Statements (Appendix A and Appendix B) of the Wildfire Safety Division (WSD)[[1]](#footnote-2) approving Trans Bay Cable’s and Horizon West Transmission’s (TBC, HWT, or electrical corporation) 2021 Wildfire Mitigation Plan (WMP) Updates pursuant to Public Utilities Code Section 8386.

Ensuring the safety of Californians is a central responsibility of the California Public Utilities Commission (Commission) and the WSD. Since several catastrophic wildfires in the San Diego area in 2007, the equipment of large electric utilities the Commission regulates has been implicated in the most devastating wildfires in our state’s history. The California Legislature enacted several measures requiring electrical corporations to submit, and the WSD to review, approve, or otherwise act on, WMPs designed to reduce the risk of utility-related catastrophic wildfire. Key among the legislative measures are Senate Bill 901 (2018), Assembly Bill 1054 (2019), and Assembly Bill 111 (2019), discussed in detail below.

This Resolution acts on the WMP Updates submitted on March 5, 2021, of Trans Bay Cable and Horizon West Transmission pursuant to Public Utilities Code Section 8386.3(c). TBC’s and HWT’s WMP responds to a list of 22 requirements set forth in Public Utilities Code 8386. TBC and HWT submitted comprehensive WMPs in 2020 covering the three-year period 2020-2022. This WMP focused on measures the electrical corporation will take to reduce the risk of, and impact from, a catastrophic wildfire related to its electrical infrastructure and equipment. TBC’s and HWT’s 2021 WMP Updates provide information on TBC’s and HWT’s progress over the past year as well as updates to their 2021 and 2022 projections. In addition, the 2021 WMP Update responds to additional requirements and metrics approved by the Commission in Resolution WSD-011.

In ratifying TBC’s and HWT’s 2021 WMP Updates, the Commission has reviewed the WSD’s analysis in terms of the extent to which TBC’s and HWT’s wildfire mitigation efforts objectively reduce wildfire risk and drive improvement, the comments from the Wildfire Safety Advisory Board, the public and other stakeholders.

THE PROPOSED OUTCOME:

* Ratifies the attached actions of the WSD to approve the 2021 WMP Updates of TBC and HWT.
* Evaluates the maturity of TBC’s and HWT’s 2021 WMP Updates using the WSD’s Utility Wildfire Mitigation Assessment, as represented in the Utility Wildfire Mitigation Maturity Model. Final Maturity Model outputs should be viewed as levels or thresholds—they are not absolute scores.
* Requires TBC and HWT to submit updates to their WMPs in 2022 according to a forthcoming schedule to be released by the WSD.
* Does not approve costs attributable to WMPs, as statute requires electrical corporations to seek and prove the legitimacy of all expenditures at a future time in their General Rate Cases (GRC) or application for cost recovery. Nothing in this Resolution nor the WSD’s Action Statement should be construed as approval of any WMP-related costs.
* Does not establish a defense to any enforcement action for a violation of a Commission decision, order, or rule.

SAFETY CONSIDERATIONS:

Mitigation of catastrophic wildfires in California is among the most important safety challenges the Commission-regulated electrical corporations face. Comprehensive WMPs are essential to safety because:

* WMPs articulate an electrical corporation’s understanding of its utility-related wildfire risk and the proposed actions to reduce that risk and prevent catastrophic wildfires caused by utility infrastructure and equipment. By implementing measures such as vegetation management, system hardening (such as insulating overhead lines and removing or upgrading equipment most likely to cause fire ignition), grid topology improvements (such as installation and operation of electrical equipment to sectionalize or island portions of the grid), improving asset inspection and maintenance, situational awareness (such as cameras, weather stations, and use of data to predict areas of highest fire threat), improving community engagement and awareness, and other measures, utility-related catastrophic wildfire risk should be reduced over time.
* The substantive and procedural changes enacted by the WSD and the Commission in the evaluation of the electrical corporations’ 2021 WMP Updates will enhance California’s ability to mitigate utility-related catastrophic wildfire risk. Below is a summary of the key new requirements in the 2021 process required of all utilities submitting a WMP Update. In 2021, WMP Updates were required to:
  + Include a checklist of the 22 Public Utilities Code Section 8386(c) requirements to assist WSD staff in locating the sections that meet these requirements.
  + Be more granular overall to help the WSD staff better understand resource allocation, local community conditions and other detailed information previously requested at a more aggregated level.
  + Provide more details showing how utilities are mitigating the impact of wildfires and PSPS on vulnerable, marginalized, and at-risk communities.
  + Report the utility’s methodology for calculating the increase costs to ratepayers.
  + Report the details of the utility’s methods for modeling ignition probability.
  + Report the utility’s process for calculating specific metrics including Red Flag Warning and High Wind Warning overhead circuit mile days, the Access and Functional Needs population, the wildland urban interface (WUI) territory, and highly rural, rural, and urban territories.
  + Include a narrative explaining the qualifications of certain utility workers in roles related to wildfire & PSPS mitigation.
  + Include more granular geospatial data to provide metrics at a local level.
  + Include more refinement in progress and outcome metrics (e.g., inspection effectiveness, risk events).
  + Include an explanation wherever the utility could not disaggregate financial spend activities.
  + Include citations to relevant state and federal statutes, orders, and proceedings.

ESTIMATED COST:

* Costs are not considered in this Resolution, as Public Utility Code Section 8386.4(b) provides for Commission cost review in a utility General Rate Case or, in some cases, a separate application. Nothing in this Resolution should be construed as approval of the costs associated with the WMP mitigation efforts.
* For illustrative purposes, Table 1 below contains TBC’s and HWT’s actual costs for 2020 and its projected costs for the implementation of wildfire mitigation efforts in their 2021 WMP Updates.
* TBC and HWT may not record the same costs more than once or in more than one place, seek duplicative recovery of costs, or record or seek to recover costs in the memorandum account already recovered separately. All electrical corporations should ensure they carefully document their expenditures in these memorandum accounts by category and be prepared for Commission review and audit of the accounts at any time.

**Table 1: TBC’s and HWT’s WMP Costs**

|  |  |  |
| --- | --- | --- |
|  | TBC’s WMP Costs | HWT’s WMP Costs |
| Proposed 2020 costs  (as reported in the 2020 WMP) | $11,322,000 | $4,085,000 |
| Actual 2020 costs (as reported in the 2021 WMP Update) | $11,300,000 | $4,632,000 |
| Difference between 2020 proposed/actual costs (+/-) | -$22,000 | +$547,000 |
| Proposed 2021 costs | $6,000,000 | $9,575,000 |
| Proposed 2022 costs | $100,000 | $18,946,000 |
| Proposed total costs  2020-2022 | $17,422,000 | $33,153,000 |

Table of Contents

[1. Summary 7](#_Toc73548307)

[2. Background, Procedural Background and Legal Authority 7](#_Toc73548308)

[3. Wildfire Safety Division Analysis of WMP Updates 9](#_Toc73548309)

[4. Wildfire Safety Advisory Board Input 10](#_Toc73548310)

[5. Public and Stakeholder Comment 11](#_Toc73548311)

[6. Discussion 11](#_Toc73548312)

[7. Maturity Evaluation 24](#_Toc73548313)

[8. Next Steps 25](#_Toc73548314)

[9. Consultation with CAL FIRE 26](#_Toc73548315)

[10. Office of Energy Infrastructure Safety 26](#_Toc73548316)

[11. Impact of COVID-19 Pandemic 26](#_Toc73548317)

[12. Conclusion 27](#_Toc73548318)

[13. Comments 27](#_Toc73548319)

[Findings 28](#_Toc73548320)

[THEREFORE, IT IS ORDERED THAT: 28](#_Toc73548321)

Appendix A – Trans Bay Cable Action Statement

Appendix B – Horizon West Transmission Action Statement

Appendix C – Public Utilities Code Section 8386

1. Summary

This Resolution ratifies the attached Wildfire Safety Division’s (WSD) Action Statement approving the 2021 Wildfire Mitigation Plan (WMP) Updates submitted by Trans Bay Cable and Horizon West Transmission (TBC and HWT) on March 5, 2021 (Attachment A). The Commission finds that TBC and HWT are in compliance with the requirements for WMPs set forth in Assembly Bill (AB) 1054,[[2]](#footnote-3) codified at Public Utilities Code (Pub. Util. Code) Section 8386(c) and the WMP Guidelines issued by the Commission to electrical corporations in Resolution WSD-011.[[3]](#footnote-4) Pub. Util. Code Section 8386(c) requires that electrical corporations’ WMPs contain 22 elements; the full list of elements appears in Section 6.1 in this Resolution. The WSD’s approval and the Commission’s ratification do not relieve the electrical corporation from any and all otherwise applicable permitting, ratemaking, or other legal and regulatory obligations.

1. Background, Procedural Background and Legal Authority

Catastrophic wildfires in 2017-19 led the California Legislature to pass Senate Bill (SB) 901[[4]](#footnote-5) in 2018 and its successor AB 1054 as well as AB 111 in 2019.[[5]](#footnote-6) AB 111 establishes a new division, the WSD, within the Commission. SB 901 and AB 1054 contain detailed requirements for electrical corporations’ WMPs and provide the WSD three months to review the WMPs. The duties of the WSD are contained in Pub. Util. Code Section 326(a) and include the requirement 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 requires electrical corporations to annually prepare and submit a WMP to the Commission for review; the Commission reviewed the 2019 WMPs in Rulemaking (R.) 18-10-007. After the Commission issued its WMP decisions on May 30, 2019,[[6]](#footnote-7) the Legislature enacted AB 1054. AB 1054 contains similar WMP requirements to SB 901 but allows WMPs a three-year rather than one-year duration. AB 1054 requires the WSD to review and approve or deny electrical corporations’ WMPs, with Commission ratification of any approval to follow thereafter. AB 1054 establishes a Wildfire Safety Advisory Board (WSAB) with appointees from the California Governor and Legislature to provide comment on the WMPs and develop and make recommendations related to the metrics used to evaluate WMPs in 2021 and beyond.[[7]](#footnote-8)

Building on lessons learned from the WMP review process in 2019, the WSD developed and required all electrical corporations to conform their WMPs to a set of new WMP Guidelines starting in 2020.[[8]](#footnote-9) In 2020 electrical corporations submitted comprehensive WMPs covering a three-year period from 2020-2022. The WSD evaluated each electrical corporation’s WMP and issued dispositions, ratified by the Commission, in Resolutions WSD-002 through WSD-010.

For 2021, the WMP Guidelines as adopted in Resolution WSD-011 build on the detail, data, and other supporting information provided in the 2020 WMPs and enable the electrical corporation to provide updated information for the 2020-2022 cycle period. The 2021 WMP Guidelines are designed to (1) increase standardization of information collected on electrical corporations’ wildfire risk exposure, (2) enable systematic and uniform review of information each electrical corporation submits, and (3) move electrical corporations toward an effective long-term wildfire mitigation strategy with systematic tracking of improvements over time. The WSD designed the 2021 WMP Guidelines to require that each electric corporation have a WMP that contains all elements required by AB 1054. For example, every WMP must contain plans for vegetation management, system hardening, inspections of assets and vegetation, situational awareness, reduction and management of Public Safety Power Shutoff (PSPS) events, customer and first responder outreach and coordination, risk analysis, and geographic information system (GIS) data, as well as a short- and long-term vision, an ignition cause analysis, and many other elements.

In addition to adopting guidelines for the review of 2021 WMPs, Resolution WSD-011 set forth the process for the WSD’s and the Commission’s review of the electrical corporations’ 2021 WMP submissions. The resolution called for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E) (the large electrical corporations) to submit their 2021 WMP Updates on February 5, 2021. The resolution called for PacifiCorp, Bear Valley Electric Service, Inc. (BVES), and Liberty Utilities (the small and multijurisdictional electrical corporations, or SMJUs), and the Trans Bay Cable, LLC, Horizon West Transmission, LLC (the independent transmission operators or ITOs) to submit their WMP Updates on March 5, 2021. TBC and HWT timely submitted their 2021 WMP Updates.

Shortly after electrical corporations submitted their WMP Updates, the WSD held technical workshops on February 22 and 23, 2021, for the large electrical corporations and March 23, 2021 for the SMJUs and ITOs. The workshops covered topics such as risk management, system design and grid hardening, and efforts to reduce the scale, scope, and frequency of PSPS events.[[9]](#footnote-10) Stakeholders submitted comments on the large electrical corporations’ 2021 WMP Updates by March 29, 2021, with replies by April 13, 2021. The WSD accepted comments on the SMJU/ITO 2021 WMP Updates until April 14, 2021, with replies by April 21, 2021.

**Notice**

In accordance with Pub. Util. Code § 8386(d), notice of TBC’s and HWT’s 2021 WMP Updates were given by posting the WMP Updates on the WSD’s web page at https://www.cpuc.ca.gov/wildfiremitigationplans on March 5, 2021, in accordance with the requirements of Pub. Util. Code Section 8386(d). Further, the electrical corporations served their 2021 WMP Updates on the Commission’s R.18-10-007 service list, as Resolution WSD-001 requires. Resolution WSD-001 also requires an electrical corporation to post all data request responses and any document referenced in its WMP on its own websites. It additionally requires an electrical corporation to notify the R.18-10-007 service list about its website updates on a weekly basis.

1. Wildfire Safety Division Analysis of WMP Updates

To reach a conclusion about each WMP, the WSD reviews each electrical corporation’s WMP (including tabular and GIS data), as well as input and comments from WSAB, California Department of Forestry and Fire Protection (CAL FIRE) and stakeholders, responses to data requests, responses to the Maturity Model survey questions, and responses to ongoing reporting required in the 2020 WMP decisions and follow-on submissions.

For 2021, the WSD amended its review process such that it will no longer issue conditional approvals. Instead, where the WSD found critical issues with 2021 submissions, the WSD issued a Revision Notice requiring the electrical corporation to remedy such issues prior to completion of the 2021 WMP Update evaluation. Upon receipt of the electrical corporation’s response to the Revision Notice, the WSD determined whether the response was sufficient to warrant approval of the WMP Update, or the response was deemed insufficient such that denial of the WMP Update was warranted.

The WSD evaluated 2021 WMP Updates according to the following factors:

* Completeness: The WMP Update is complete and comprehensively responds to the WMP statutory requirements and WMP Guidelines.
* Technical feasibility and effectiveness: Initiatives proposed in the WMP Update are technically feasible and are effective in addressing the risks that exist in the electrical corporation’s service territory.
* Resource use efficiency: Initiatives are an efficient use of resources and focus on achieving the greatest risk reduction at the lowest cost.
* Year-over-year progress: The electrical corporation has demonstrated sufficient progress on objectives and program targets reported in the prior annual WMP.
* Forward-looking growth: The electrical corporation demonstrates a clear action plan to continue reducing utility-related wildfires and the scale, scope, and frequency of PSPS events. In addition, the electrical corporation is sufficiently focused on long-term strategies to build the overall maturity of its wildfire mitigation capabilities while reducing reliance on shorter-term strategies such as PSPS and vegetation management.

1. Wildfire Safety Advisory Board Input

The WSAB provided recommendations on the WMP Updates of PG&E, SCE, and SDG&E on April 16, 2021. The WSAB provided recommendations on the WMP Updates of PacifiCorp, BVES, and Liberty Utilities on May 13, 2021. The WSAB did not provide recommendations on the WMP Updates of TBC or HWT.

1. Public and Stakeholder Comment

On April 14, 2021, public comments were received for the SMJU/ITO 2021 WMP Updates. The WSD did not identify any significant issues to the ITOs within these comments.

1. Discussion

The Commission has reviewed the WSDs evaluation of TBC’s and HWT’s 2021 WMP Updates, the Action Statements issued by the WSD pursuant to Pub. Util. Code Section 8386.3, the recommendations of the WSAB, stakeholder comments served on the R.18-10-007 service list, and other public input. The Commission ratifies the WSD’s action approving TBC’s and HWT’s 2021 WMP Updates.

The attached Action Statement discusses in detail TBC’s and HWT’s 2021 WMP Updates and provides the WSD’s analysis. In particular, the WSD focuses its analysis on progress over the past year, key areas for improvement TBC and HWT must focus on in the coming year (including ongoing reporting requirements), and issues where progress is needed to improve TBC’s and HWT’s maturity over time.

**6.1 Requirements of Pub. Util. Code Section 8386(c)**

Below is a summary of where TBC and HWT have met each requirement pursuant to Pub. Util. Code Section 8386(c). The Commission finds that TBC’s and HWT’s 2021 WMP Updates satisfy the requirements of Pub. Util. Code Section 8386(c). Discussion of how TBC and HWT have met the statutory guidelines is included in the Action Statements.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Requirement** | **Requirement status in TBC’s 2021 WMP Update** | **Reference to where in TBC’s 2021 WMP Update requirement is met** | **Requirement status in HWT’s 2021 WMP Update** | **Reference to where in HWT’s 2021 WMP Update requirement is met** |
| 1. An accounting of the responsibilities of the responsible person(s) executing the plan | Met fully | Section 1; p. 13-15 | Met fully | Section 1; p. 15-17 |
| 2. The objectives of the plan | Met fully | Section 5.2; p. 38-40 | Met fully | Section 5.2; p. 41-43 |
| 3. A description of the preventive strategies and programs to be adopted by the electrical corporation to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks | Met fully | Section 7.3; p. 54-65 | Met fully | Section 7.3; p. 56-73 |
| 4. A description of the metrics the electrical corporation plans to use to evaluate the WMP’s performance and the assumptions that underlie the use of those metrics | Met fully | Section 6; p. 45-49 | Met fully | Section 6; p. 47-51 |
| 5. A discussion of how the application of previously identified metrics to previous plan performances has informed the WMP | Met fully | Section 4.1; p. 24-28 | Met fully | Section 4.1; p. 26-31 |
| 6. Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety, as well as protocols related to mitigating the public safety impacts of those protocols, including impacts on: critical first responders, health and communication infrastructure, customers with access and functional needs, and those with financial concerns. | N/A | TBC is a transmission-only utility and does not have distribution reclosers | N/A | HWT is a transmission-only utility and does not have distribution reclosers |
| 7. Appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines. The procedures shall direct notification to all public safety offices, critical first responders, health care facilities, and operators of telecommunications infrastructure with premises within the footprint of potential PSPS for a given event. | N/A | TBC is a transmission-only utility with no end-use customers | Met fully | Section 8, p. 74-79 |
| 8. Plans for vegetation management | N/A | TBC does not have overhead lines requiring a vegetation management program | Met fully | Section 7.3; p. 56-73 |
| 9. Plans for inspections of the electrical corporation's electrical infrastructure | Met fully | Section 7.3; p. 54-65 | Met fully | Section 7.3; p. 56-73 |
| 10. PSPS protocols associated with the electrical corporation’s transmission infrastructure, for instances when the PSPS may impact customers who, or entities that, are dependent upon the infrastructure | Met fully | Section 8; p. 66-71 | Met fully | Section 8; p. 74-79 |
| 11. A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the electrical corporation's service territory, including all relevant wildfire risk and risk mitigation information that is part of Safety Model Assessment Proceeding (SMAP) and Risk Assessment Mitigation Phase (RAMP) filings | Met fully | Section 4; p. 24-37 | Met fully | Section 4; p. 26-40 |
| 12. A description of how the WMP accounts for the wildfire risk identified in the electrical corporation's RAMP filing | N/A | TBC does not have a RAMP filing | N/A | HWT does not have a RAMP filing |
| 13. A description of the actions the electrical corporation will take to ensure its system will achieve the highest level of safety, reliability, and resiliency, and to ensure that its system is prepared for a major event, including hardening and modernizing its infrastructure with improved engineering, system design, standards, equipment, and facilities, such as undergrounding, insulating of distribution wires, and replacing poles | Met fully | Section 4; p. 24-37  Section 5.2; p. 38-40  Section 7; p.50-65 | Met fully | Section 4; p. 26-40  Section 5.2; p. 41-43  Section 7; p.52-73 |
| 14. A description of where and how the electrical corporation considered undergrounding electrical distribution lines within those areas of its service territory identified to have the highest wildfire risk in a commission fire threat map | N/A | TBC does not have distribution lines | N/A | TBC does not have distribution lines |
| 15. A showing that the electrical corporation has an adequately sized and trained workforce to promptly restore service after a major event, taking into account employees of other utilities pursuant to mutual aid agreements and employees of entities that have entered into contracts with the electrical corporation | Met fully | Section 5.4; p. 41-44 | Met fully | Section 5; p. 41-46  Section 8; p. 74-79 |
| 16. Identification of any geographic area in the electrical corporation's service territory that is a higher wildfire threat than is currently identified in a Commission fire threat map, and where the Commission should consider expanding the high fire threat district based on new information or changes in the environment | N/A | TBC does not operate in any wildlands or wildland-urban-interface | N/A | HWT has a single asset located in a Tier 3 High Fire Threat District. |
| 17. A methodology for identifying and presenting enterprise-wide safety risk and wildfire-related risk that is consistent with the methodology used by other electrical corporations unless the Commission determines otherwise | Met fully | Section 4; p. 24-37 | Met fully | Section 4; p. 26-40 |
| 18. A description of how the plan is consistent with the electrical corporation's disaster and emergency preparedness plan prepared pursuant to Section 768.6, including both of the following:  (A) Plans to prepare for, and to restore service after, a wildfire, including workforce mobilization and prepositioning equipment and employees  (B) Plans for community outreach and public awareness before, during, and after a wildfire, including language notification in English, Spanish, and the top three primary languages used in the state other than English or Spanish, as determined by the Commission based on the United States Census data. | Met fully | Section 8; p. 66-71 | Met fully | Section 8; p. 74-79 |
| 19. A statement of how the electrical corporation will restore service after a wildfire. | Met fully | Section 8; p. 66-71 | Met fully | Section 8; p. 74-79 |
| 20. Protocols for compliance with requirements adopted by the Commission regarding activities to support customers during and after a wildfire, outage reporting, support for low-income customers, billing adjustments, deposit waivers, extended payment plans, suspension of disconnection and nonpayment fees, repair processing and timing, access to utility representatives, and emergency communications | N/A | TBC does not have end-use customers | N/A | HWT does not have end-use customers |
| 21. A description of the processes and procedures the electrical corporation will use to do all of the following:  (A) Monitor and audit the implementation of the plan  (B) Identify any deficiencies in the plan or the plan's implementation and correct those deficiencies  (C) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, carried out under the plan and other applicable statutes and commission rules | Met fully | Section 7.2; p. 53-54 | Met fully | Section 7.2; p. 55-56 |
| 22. Any other information that the Wildfire Safety Division may require | Met fully |  | Met fully |  |

**6.2 Areas of Significant Progress**

In the attached Action Statement, the WSD highlights areas of significant progress over the past year and areas where the electrical corporation has matured its mitigation strategies. Examples of TBC’s and HWT’s progress are set forth below. The Commission has reviewed the WSD’s evaluation of TBC’s and HWT’s progress over the past year and ratifies the WSD’s findings that TBC’s and HWT’s progress are sufficient to warrant approval.

TBC’s Areas of Significant Progress

* TBC commissioned a third-party evaluation in 2020 to assess initiatives for fire protection capabilities and seismic upgrades to the main transformers. TBC implemented the evaluation’s recommendation of storing additional fire suppression equipment at the Pittsburg substation.
* TBC installed transformer oil gas monitors at its Pittsburg station to track transformer health. These monitors proactively identify potential transformer vulnerabilities. This is in alignment with peer ITO.
* TBC installed a cable monitoring system to monitor the cable for physical vibration, temperature, and abnormal electrical discharge at the cable terminations.
* TBC contained its two converter stations with twelve-foot, concrete perimeter walls to provide an additional layer of defense to prevent fire propagation.

HWT’s Areas of Significant Progress

* HWT commissioned a third-party wildfire assessment in 2020 that identified key wildfire-related risks, simulated a propagation of wildfire in the area of the Suncrest facility in case of an ignition during extreme weather events, and identified relevant wildfire hardening measures HWT can implement. As a result, HWT is installing transformer seismic pads, transformer blast walls, and flame-suppressing stone in transformer containment pits in 2021 and 2022.[[10]](#footnote-11)
* HWT installed a weather station at its Suncrest Facility, which will allow the utility to capture weather data for future usage in its Fire Potential Index (FPI).
* HWT installed transformer oil gas monitors at its Suncrest Facility to track transformer health. This will proactively identify potential transformer vulnerabilities.
* HWT has started development of its proprietary fire risk index and plans to have a functional product to inform operational decisions by the end of 2021.

**6.3 Key Areas for Improvement and Additional Issues**

The WSD reviewed TBC’s and HWT’s 2021 WMP Updates across ten categories of mitigation initiatives, including: (1) risk assessment and mapping, (2) situational awareness and forecasting, (3) grid design and system hardening, (4) asset management and inspections, (5) vegetation management and inspections, (6) grid operations and protocols, (7) data governance, (8) resource allocation methodology, (9) emergency planning and preparedness, and (10) stakeholder cooperation and community engagement. In addition, in a change from 2020, the WSD evaluated TBC’s and HWT’s progress on reducing the scale, scope, and frequency of PSPS events in a separate section in recognition that PSPS is not a preferred mitigation measure because it introduces significant risk to customers and should be used as a measure of last resort.[[11]](#footnote-12)

The WSD did not identify key areas for improvement for TBC or HWT. In some evaluation sections, the WSD lists issues and associated remedies. All remedies must be addressed in TBC’s and HWT’s 2022 WMP Updates. The WSD expects TBC and HWT to take action to address these issues and report on progress made over the year in their 2022 WMP Updates.

**6.4 Wildfire Mitigation Costs**

Pursuant to statute, an electrical corporation’s costs associated with wildfire mitigation activities are not approved as part of its WMP; rather, costs are evaluated in each electrical corporation’s General Rate Case or other application for rate recovery. For ITOs their costs may be addressed through a process at the Federal Energy Regulatory Commission.

In TBC’s 2021 WMP Update, actual 2020 mitigation costs and projected 2020 costs remained generally the same (the 2020 projected costs were $11,322,000; 2020 actual costs were $11,300,000). In the 2021 WMP Update, 2021 projected costs are $6 million, a 53% decrease.

In HWT’s 2021 WMP Update, actual 2020 mitigation costs were higher than projected costs for 2020 (the 2020 projected costs were $4,085,000; 2020 actual costs were $4,632,000). In the 2021 WMP Update, 2021 projected costs are $9.6 million, an almost 200% increase.

The WSD analyzed these wildfire mitigation cost differences and made the following finding:

* The ITO’s top three spend categories were consistent with (1) Grid Design and System Hardening, (2) Situational Awareness and Forecasting, and (3) Asset Management and Inspections

The Commission may evaluate wildfire mitigation costs in TBC’s and HWT’s proceedings before FERC.

1. Maturity Evaluation

In 2020, WSD introduced a new Utility Wildfire Mitigation Maturity Model (the Maturity Model) to establish a baseline understanding of an electrical corporation’s current and projected capabilities and assess whether each electrical corporation is progressing sufficiently to improve its ability to mitigate wildfire risk effectively. The Maturity Model also serves as an objective means of comparing measurements of progress across electrical corporations and provides a framework for driving progress in wildfire risk mitigation over time. To identify an electrical corporation’s progress within the Maturity Model, the WSD required each electrical corporation to complete a survey in which it answered questions addressing its maturity regarding 52 wildfire mitigation-related capabilities at the time of submission and its projections of its maturity at the end of the three-year plan horizon. The 52 capabilities are mapped to the same ten categories identified for mitigation initiatives.

The Maturity Model will continue to evolve over time to reflect best practices and lessons learned. In 2021 the maturity model was updated to clarify definitions while remaining consistent with the 2020 model to enable year-over-year progress tracking. It is essential that the maturity levels are understood within the context of the qualitative detail supporting each level. The model results require context and should not be interpreted as the final word on an electrical corporation’s wildfire mitigation capabilities without an understanding of the scoring process described in Action Statement Appendix 11.1. As such, the final Maturity Model outputs should be viewed as levels or thresholds—they are not absolute scores.

The Commission ratifies the WSD’s findings that TBC and HWT have made sufficient progress towards maturity in the past year. The Commission and the WSD expect TBC and HWT to continue to improve its maturity in all areas in order to reduce utility-related wildfire risk.

Summary of TBC’s Maturity Evaluation

* TBC reports no progress in maturity scores from 2020 to 2021.
* TBC projects sharp increases in maturity scores for 2022, despite no growth in 2021, for the following categories:
  + Risk Assessment and Mapping
  + Data Governance
  + Emergency Planning and Preparedness
  + Stakeholder Cooperation and Community Engagement

Summary of HWT’s Maturity Evaluation

* HWT reports steady growth in risk assessment and mapping, which is in line with the current activities within this category.
* HWT reports a sharp increase in maturity score for situational awareness and forecasting, as the utility installed a weather station and is developing a proprietary fire potential index (FPI) for the Suncrest Facility.
* HWT also reports a sharp increase in grid design and system hardening. This increase is justified by the construction of a 10-feet concrete perimeter wall around its Suncrest Facility and beginning an undergrounding project that will be completed by August 2021. HWT is also installing transformer seismic pads, transformer blast walls, and flame suppressing transformer containment stone in its Suncrest Facility.

TBC’s and HWT’s maturity evaluation are further detailed in the attached Action Statement (see Action Statement Appendix 11.1 for a summary of TBC’s and HWT’s 2021 Maturity Survey outputs).

1. Next Steps

In their Action Statements, the WSD sets forth the next steps TBC and HWT must take following the WSD’s approval of their 2021 WMP Updates. This includes a process for modifying (reducing, increasing, or ending) any mitigation measures in the WMP.

Upon ratification of this resolution, the WSD discontinues the ongoing Quarterly Report established in the 2020 WMP, except for the Quarterly Data Reports pursuant to Guidance-10 from Resolution WSD-002.

Upon ratification of this resolution, the WSD is granted authority to change reporting requirements and process through a public notice.

The Commission expects the electrical corporation to adhere to all ongoing requirements set forth in the Action Statement.

1. Consultation with CAL FIRE

Pub. Util. Code § 8386.3(a) requires the WSD to consult with CAL FIRE in reviewing electrical corporations’ 2021 WMP Updates. The Commission and CAL FIRE have a memorandum of understanding in place to facilitate this consultation (Pub. Util. Code § 8386.5). The Commission and the WSD have met these requirements, but this Resolution does not purport to speak for CAL FIRE.

1. Office of Energy Infrastructure Safety

Pursuant to Public Utilities Code Section 326(b), on July 1, 2021, the Wildfire Safety Division transitioned from the Commission into the Office of Energy Infrastructure Safety (Energy Safety) under the California Natural Resources Agency. Energy Safety “is the successor to” and “is vested with all of the duties, powers, and responsibilities of the Wildfire Safety Division,”[[12]](#footnote-13) including, but not limited to, jurisdiction for evaluating and approving or denying electrical corporations’ WMPs and evaluating compliance with regulations related to the WMPs. The Commission and the newly formed Energy Safety will adhere to all statutory requirements pertaining to the WMP process.

1. 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).[[13]](#footnote-14)

As articulated in the March 27, 2020, joint letters[[14]](#footnote-15) 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.

Since issuance of this letter, the 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.

Throughout 2021, the WSD expects the electrical corporations to continue to make meaningful progress on wildfire mitigation goals and efforts to reduce the scale, scope, and frequency of PSPS events while continuing to abide by COVID-19 public health guidelines.

1. Conclusion
   * TBC‘s and HWT’s 2021 Wildfire Mitigation Plan Update contains all of the elements required by AB 1054, Pub. Util. Code Section 8386(c) and all elements required by the WMP Guidelines.
   * The Commission ratifies the WSD’s Action Statement approving TBC’s and HWT’s 2021 WMP Updates subject to any requirements contained therein.
2. Comments

Pub. Util. Code § 311(g)(1) provides that resolutions must be served to all parties and subject to at least 30 days public review. However, given that this Resolution is issued outside of a formal proceeding, interested stakeholders need not have party status in R.18-10-007 in order to submit comments. Comments were due on June 28, 2021, 20 days from the mailing of the draft of this Resolution. Reply comments were not accepted.

On June 7, 2021, this draft Resolution was served on the service list of R.18-10-007 and posted on the Commission’s website, [www.cpuc.ca.gov/wildfiremitigationplans](http://www.cpuc.ca.gov/wildfiremitigationplans).

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

Findings

1. AB 1054 and Commission Resolution WSD-001 require TBC and HWT to submit WMP Updates for 2022 that conform with Pub. Util. Code Section 8386(c) and guidance adopted in Resolution WSD-011.
2. The 2021 WMP Updates were reviewed and acted upon with due consideration given to comments received from governmental agencies (including CAL FIRE), the WSAB, members of the public, and all other relevant stakeholders to the extent they addressed TBC’s and HWT’s 2021 WMP Updates.
3. The 2021 WMP Updates were reviewed and acted upon in compliance with all relevant requirements of state law.
4. TBC’s and HWT’s 2021 WMP Updates contains all the elements required by Pub. Util. Code Section 8386(c) and TBC and HWT have satisfied the requirements of Pub. Util. Code Section 8386(c) and the 2021 WMP Guidelines.

THEREFORE, IT IS ORDERED THAT:

1. Wildfire Safety Division’s Action Statement approving Trans Bay Cable’s and Horizon West Transmission’s 2021 Wildfire Mitigation Plan Updates are ratified.
2. Trans Bay Cable and Horizon West Transmission shall meet all commitments in their 2021 WMP Updates.
3. Trans Bay Cable and Horizon West Transmission shall submit any reports previously required to be submitted to Wildfire Safety Division, including Quarterly Data Reports, to the Office of Energy Infrastructure Safety according to forthcoming guidance.
4. Trans Bay Cable and Horizon West Transmission shall submit updates to their Wildfire Mitigation Plans in 2022 according to the forthcoming guidance and schedule issued by the Office of Energy Infrastructure Safety.
5. Trans Bay Cable and Horizon West Transmission shall submit a new comprehensive three-year Wildfire Mitigation Plan in 2023, or as otherwise directed by the Office of Energy Infrastructure Safety.
6. Trans Bay Cable and Horizon West Transmission must adhere to all requirements set forth in the Wildfire Safety Division’s Action Statements.
7. Nothing in this Resolution should be construed as approval of the costs associated with Trans Bay Cable’s and Horizon West Transmission’s Wildfire Mitigation Plan mitigation efforts.

In accordance with Public Utilities Code Section 8386.4, Trans Bay Cable and Horizon West Transmission may track the costs associated with their Wildfire Mitigation Plans in memorandum accounts by category of costs, and shall be prepared for Commission review and audit of the accounts at any time.

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 July 15, 2021; the following Commissioners voting favorably thereon:

*/s/ Rachel Peterson* RACHEL PETERSON Executive Director

MARYBEL BATJER

President

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

DARCIE HOUCK

Commissioners

**Appendix A – Trans Bay Cable Action Statement**

See attached.

**Appendix B – Horizon West Transmission Action Statement**

See attached.

**Appendix C – Public Utilities Code Section 8386**

Public Utilities Code Section 8386

From Public Utilities Code (PUC) Division 4.1. Provisions Applicable to Privately Owned and Publicly Owned Public Utilities [8301 - 8390].

Chapter 6. Wildfire Mitigation [8385 - 8389]

8386.

(a) Each electrical corporation shall construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment.

(b) Each electrical corporation shall annually prepare and submit a wildfire mitigation plan to the Wildfire Safety Division for review and approval. In calendar year 2020, and thereafter, the plan shall cover at least a three-year period. The division shall establish a schedule for the submission of subsequent comprehensive wildfire mitigation plans, which may allow for the staggering of compliance periods for each electrical corporation. In its discretion, the division may allow the annual submissions to be updates to the last approved comprehensive wildfire mitigation plan; provided, that each electrical corporation shall submit a comprehensive wildfire mitigation plan at least once every three years.

(c) The wildfire mitigation plan shall include all of the following:

(1) An accounting of the responsibilities of persons responsible for executing the plan.

(2) The objectives of the plan.

(3) A description of the preventive strategies and programs to be adopted by the electrical corporation to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks.

(4) A description of the metrics the electrical corporation plans to use to evaluate the plan’s performance and the assumptions that underlie the use of those metrics.

(5) A discussion of how the application of previously identified metrics to previous plan performances has informed the plan.

(6) Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety. As part of these protocols, each electrical corporation shall include protocols related to mitigating the public safety impacts of disabling reclosers and deenergizing portions of the electrical distribution system that consider the impacts on all of the following:

(A) Critical first responders.

(B) Health and communication infrastructure.

(C) Customers who receive medical baseline allowances pursuant to subdivision (c) of Section 739. The electrical corporation may deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance for a customer who meets all of the following requirements:

(i) The customer relies on life-support equipment that operates on electricity to sustain life.

(ii) The customer demonstrates financial need, including through enrollment in the California Alternate Rates for Energy program created pursuant to Section 739.1.

(iii) The customer is not eligible for backup electrical resources provided through medical services, medical insurance, or community resources.

(D) Subparagraph (C) shall not be construed as preventing an electrical corporation from deploying backup electrical resources or providing financial assistance for backup electrical resources under any other authority.

(7) Appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines, including procedures for those customers receiving medical baseline allowances as described in paragraph (6). The procedures shall direct notification to all public safety offices, critical first responders, health care facilities, and operators of telecommunications infrastructure with premises within the footprint of potential deenergization for a given event.

(8) Plans for vegetation management.

(9) Plans for inspections of the electrical corporation’s electrical infrastructure.

(10) Protocols for the deenergization of the electrical corporation’s transmission infrastructure, for instances when the deenergization may impact customers who, or entities that, are dependent upon the infrastructure.

(11) A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the electrical corporation’s service territory, including all relevant wildfire risk and risk mitigation information that is part of the commission’s Safety Model Assessment Proceeding (A.15-05-002, et al.) and the Risk Assessment Mitigation Phase filings. The list shall include, but not be limited to, both of the following:

(A) Risks and risk drivers associated with design, construction, operations, and maintenance of the electrical corporation’s equipment and facilities.

(B) Particular risks and risk drivers associated with topographic and climatological risk factors throughout the different parts of the electrical corporation’s service territory.

(12) A description of how the plan accounts for the wildfire risk identified in the electrical corporation’s Risk Assessment Mitigation Phase filing.

(13) A description of the actions the electrical corporation will take to ensure its system will achieve the highest level of safety, reliability, and resiliency, and to ensure that its system is prepared for a major event, including hardening and modernizing its infrastructure with improved engineering, system design, standards, equipment, and facilities, such as undergrounding, insulating of distribution wires, and replacing poles.

(14) A description of where and how the electrical corporation considered undergrounding electrical distribution lines within those areas of its service territory identified to have the highest wildfire risk in a commission fire threat map.

(15) A showing that the electrical corporation has an adequately sized and trained workforce to promptly restore service after a major event, taking into account employees of other utilities pursuant to mutual aid agreements and employees of entities that have entered into contracts with the electrical corporation.

(16) Identification of any geographic area in the electrical corporation’s service territory that is a higher wildfire threat than is currently identified in a commission fire threat map, and where the commission should consider expanding the high fire threat district based on new information or changes in the environment.

(17) A methodology for identifying and presenting enterprise-wide safety risk and wildfire-related risk that is consistent with the methodology used by other electrical corporations unless the commission determines otherwise.

(18) A description of how the plan is consistent with the electrical corporation’s disaster and emergency preparedness plan prepared pursuant to Section 768.6, including both of the following:

(A) Plans to prepare for, and to restore service after, a wildfire, including workforce mobilization and prepositioning equipment and employees.

(B) Plans for community outreach and public awareness before, during, and after a wildfire, including language notification in English, Spanish, and the top three primary languages used in the state other than English or Spanish, as determined by the commission based on the United States Census data.

(19) A statement of how the electrical corporation will restore service after a wildfire.

(20) Protocols for compliance with requirements adopted by the commission regarding activities to support customers during and after a wildfire, outage reporting, support for low-income customers, billing adjustments, deposit waivers, extended payment plans, suspension of disconnection and nonpayment fees, repair processing and timing, access to electrical corporation representatives, and emergency communications.

(21) A description of the processes and procedures the electrical corporation will use to do all of the following:

(A) Monitor and audit the implementation of the plan.

(B) Identify any deficiencies in the plan or the plan’s implementation and correct those deficiencies.

(C) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, carried out under the plan and other applicable statutes and commission rules.

(22) Any other information that the Wildfire Safety Division may require.

(d) The Wildfire Safety Division shall post all wildfire mitigation plans and annual updates on the commission’s internet website for no less than two months before the division’s decision regarding approval of the plan. The division shall accept comments on each plan from the public, other local and state agencies, and interested parties, and verify that the plan complies with all applicable rules, regulations, and standards, as appropriate.

(Amended by Stats. 2020, Ch. 370, Sec. 256. [SB 1371] Effective January 1, 2021.)

Attachment 1:

[WSD016\_ActionStmnt\_TBC\_2021WMP\_Clean.pdf](http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M392/K966/392966830.pdf)

Attachment 2:

[WSD016\_ActionStmnt\_HWT\_2021WMP\_Clean.pdf](http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M393/K036/393036634.pdf)

Attachment 1:

[WSD016\_ActionStmnt\_HWT\_2021WMP.pdf](http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M394/K046/394046603.pdf)

Attachment 2:

[WSD016\_ActionStmnt\_TBC\_2021WMP.pdf](http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M394/K035/394035431.pdf)

1. Because the WSD transitioned to the Office of Energy Infrastructure Safety (Energy Safety) on July 1, 2021, any references herein to WSD actions that post-date this transition should be interpreted as actions taken by Energy Safety or for which Energy Safety will take responsibility. Section 10 of this Resolution provides further detail on the transition of the WSD to Energy Safety. [↑](#footnote-ref-2)
2. Stats of 2019, Ch. 79. [↑](#footnote-ref-3)
3. The Commission adopted Resolution WSD-011 on November 19, 2020. [↑](#footnote-ref-4)
4. Stats of 2019, Ch 626. [↑](#footnote-ref-5)
5. Stats of 2019, Ch 81. [↑](#footnote-ref-6)
6. Decisions 19-05-036, -037, -038, -039, -040, and -041 (May 30, 2019). [↑](#footnote-ref-7)
7. Pub. Util. Code § 8386.3 (Wildfire Safety Division), § 326.1 (Wildfire Safety Advisory Board). [↑](#footnote-ref-8)
8. A ruling issued on December 19, 2019, in proceeding R.18-10-007 described and attached all of the materials electrical corporations were required to use in submitting their 2020 WMPs. [↑](#footnote-ref-9)
9. Details of the workshops appear on the Commission’s WMP homepage, located at <https://www.cpuc.ca.gov/wildfiremitigationplans/>. [↑](#footnote-ref-10)
10. HWT’s 2021 WMP Update p. 63 [↑](#footnote-ref-11)
11. The Commission recognizes that prevailing weather conditions primarily impact the need for PSPS and has found that Pub. Util. Code sections 451 and 399.2(a) authorize the utilities to shut off power in order to protect public safety, as a measure of last resort. (Resolution ESRB-8; Phase 1 Overarching PSPS Guidelines contained in D.19-05-042.) The decision to shut off power may be reviewed by the Commission pursuant to its broad jurisdiction over public safety and utility operations. (ESRB-8.) [↑](#footnote-ref-12)
12. Government Code Section 15475. [↑](#footnote-ref-13)
13. Executive Order N-30-20, see <http://covid19.ca.gov/img/Executive-Order-N-30-20.pdf>. [↑](#footnote-ref-14)
14. Letters to each electrical corporation are found at <https://www.cpuc.ca.gov/covid/>under the heading ”Other CPUC Actions”, March 27, 2020: Joint Letters to IOUs re: Essential Wildfire and PSPS Mitigation Work. [↑](#footnote-ref-15)