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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WILDFIRE SAFETY DIVISION **RESOLUTION WSD-018**
July 15, 2021

R E S O L U T I O N

RESOLUTION WSD-018 Resolution Ratifying Action of the Wildfire Safety Division on Liberty Utilities' 2021 Wildfire Mitigation Plan Update Pursuant to Public Utilities Code Section 8386.

This Resolution ratifies the attached Action Statement (Appendix A) of the Wildfire Safety Division (WSD)[1] approving Liberty Utilities's (Liberty, or electrical corporation) 2021 Wildfire Mitigation Plan (WMP) Update 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 Update submitted on March 5, 2021, of Liberty Utilities pursuant to Public Utilities Code Section 8386.3(c). Liberty's WMP responds to a list of 22 requirements set

[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.

forth in Public Utilities Code Section 8386. Liberty submitted a comprehensive WMP 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. Liberty's 2021 WMP Update provides information on Liberty's progress over the past year as well as updates to its 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 Liberty's 2021 WMP Update, the Commission has reviewed the WSD's analysis in terms of the extent to which Liberty'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 action of the WSD to approve the 2021 WMP Update of Liberty.
- Evaluates the maturity of Liberty's 2021 WMP Update 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 Liberty to file an update to its WMP 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 Liberty's actual costs for 2020 and its projected costs for the implementation of wildfire mitigation efforts in its 2021 WMP Update.
- Liberty 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: Liberty's WMP Costs

Proposed 2020 costs (as reported in the 2020 WMP)	$30,699,000
Actual 2020 costs (as reported in the 2021 WMP)	$33,331,000
Difference between 2020 proposed/actual costs (+/-)	+$2,632,000
Proposed 2021 costs	$52,007,000
Proposed 2022 costs	$50,210,000
Proposed total costs 2020-2022	$135,548,000

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Appendix A – Action Statement
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1. Summary

This Resolution ratifies the attached Wildfire Safety Division's (WSD) Action Statement approving the 2021 Wildfire Mitigation Plan Update (WMP) submitted by Liberty Utilities (Liberty) on March 5, 2021 (Attachment A). The Commission finds that Liberty is in compliance with the requirements for WMPs set forth in Assembly Bill (AB) 1054,[2] 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] Pub. Util. Code Section 8386(c) requires that electrical corporations' WMPs contain 22 elements; the full list of elements appears in Section 6.1 to 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.

2. Background, Procedural Background and Legal Authority

Catastrophic wildfires in 2017-19 led the California Legislature to pass Senate Bill (SB) 901[4] in 2018 and its successor AB 1054 as well as AB 111 in 2019.[5] 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] 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

[2] Stats of 2019, Ch. 79.

[3] The Commission adopted Resolution WSD-011 on November 19, 2020.

[4] Stats of 2019, Ch 626.

[5] Stats of 2019, Ch 81.

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

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]

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] 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

[7] Pub. Util. Code § 8386.3 (Wildfire Safety Division), § 326.1 (Wildfire Safety Advisory Board).

[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.

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 Independent Transmission Operators (ITOs) to submit their WMP Updates on March 5, 2021. Liberty timely submitted its 2021 WMP Update.

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] 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 Liberty's 2021 WMP Update was given by posting the WMP Update on the WSD's web page at www.cpuc.ca.gov/wildfiremitigationplans, in accordance with the requirements of Pub. Util. Code Section 8386(d). Further, the electrical corporation served its 2021 WMP Update 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.

3. Wildfire Safety Division Analysis of WMP Update

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 filings.

[9] Details of the workshops appear on the Commission's WMP homepage, located at https://www.cpuc.ca.gov/wildfiremitigationplans/.

For 2021, the WSD amended its review process such that it will no longer issue conditional approvals. Instead, where the WSD finds critical issues with 2021 submissions, the WSD issues 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 determines whether the response is sufficient to warrant approval of the WMP, or the response is deemed insufficient such that denial of the WMP is warranted.

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

- Completeness: The WMP is complete and comprehensively responds to the WMP statutory requirements and WMP Guidelines.
- Technical feasibility and effectiveness: Initiatives proposed in the WMP 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.

4. 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, Liberty, and BVES on May 13, 2021. The WSD considered the WSAB's recommendations, and the attached Action Statement incorporates the WSAB's input throughout.

5. Public and Stakeholder Comment

The following individuals and organizations submitted comments by April 14, 2021, on Liberty's WMP Update:

- Public Advocates Office at the California Public Utilities Commission (Cal Advocates)
- Green Power Institute (GPI)
- Rural County Representatives of California (RCRC)

On April 21, 2021, Liberty submitted reply comments.

A summary of comments incorporated into the WSD's disposition of Liberty's WMP can be found in the attached Action Statement.

6. Discussion

The Commission has reviewed the WSDs evaluation of Liberty's 2021 WMP Update, the Action Statement 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 Liberty's 2021 WMP Update.

The attached Action Statement discusses in detail Liberty's 2021 WMP Update and provides the WSD's analysis. In particular, the WSD focuses its analysis on progress over the past year, key areas for improvement Liberty must focus on in the coming year (including ongoing reporting requirements), and additional issues where progress is needed to improve Liberty's maturity in mitigating wildfire risk from its infrastructure over time.

6.1. Requirements of Public Utilities Code Section 8386(c)

Below is a summary of where Liberty has met each requirement pursuant to Pub. Util. Code Section 8386(c). The Commission finds that Liberty's 2021 WMP Update satisfies the requirements of Pub. Util. Code Section 8386(c). Discussion of how Liberty has met the statutory guidelines is included in the Action Statement.

Requirement	Requirement status in WMP	Reference to where in WMP requirement is met
1. An accounting of the responsibilities of the responsible person(s) executing the plan	Met fully	Section 1, pages 10-11
2. The objectives of the plan	Met fully	Section 5.2, pages 48-53
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, pages 79-141
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 5, pages 54-56; Section 6, pages 64-67; Attachment A
5. A discussion of how the application of previously identified metrics to previous plan performances has informed the WMP	Met fully	Section 4, pages 20-25
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.	Met fully	Section 7, pages 128-134; Section 8, pages 142-152
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.	Met fully	Section 7, pages 132-141; Section 8, pages 151-152
8. Plans for vegetation management	Met fully	Section 7,

Requirement	Requirement status in WMP	Reference to where in WMP requirement is met
		pages 104-120
9. Plans for inspections of the electrical corporation's electrical infrastructure	Met fully	Section 7, pages 97-104
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 7, pages 128-134; Section 8, pages 142-152
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, pages 27-31
12. A description of how the WMP accounts for the wildfire risk identified in the electrical corporation's RAMP filing	Not applicable	
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 7, pages 81-97
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	Met fully	Section 7, pages 96-97
15. A showing that the electrical corporation has an adequately sized and trained workforce to promptly restore service after a major event, taking into	Met fully	Section 7, pages 128-130

Requirement	Requirement status in WMP	Reference to where in WMP requirement is met
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	Met fully	Section 4, pages 27-28, 43
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, pages 25-38
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 7, pages 128-141
19. A statement of how the electrical corporation will restore service after a wildfire.	Met fully	Section 7, pages 122-124, 128-130, 134
20. Protocols for compliance with requirements adopted by the Commission regarding activities to	Met fully	Section 7, pages 132-140; Section 8,

Requirement	Requirement status in WMP	Reference to where in WMP requirement is met
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		pages 151-152
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	(A) Section 7, pages 77-78; (B) Section 4, pages 40-47; (C) Section 7, pages 78
22. Any other information that the Wildfire Safety Division may require	Met fully	Various phone calls and written data requests (March 16 through May 12, 2021)

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 Liberty's progress is set forth below. The Commission has reviewed the WSD's evaluation of Liberty's progress over the past year and ratifies the WSD's findings that Liberty's progress is sufficient to warrant approval.

- Liberty has implemented a risk-based decision-making framework and improved its risk modeling capabilities.
- Liberty has completed its wildfire risk model and can now perform risk

quantification methodologies including calculating Risk Spend Efficiency of key initiatives.
- Liberty's new risk assessment methods will be used to prioritize projects beginning in 2022.
- Liberty has developed a Fire Potential Index tailored to its service territory which provides greater insight into the risk within its territory.
- Liberty will be the first utility to fully integrate Light Detection and Ranging (LiDAR) for use in vegetation compliance inspections for distribution circuits.

6.3. Key Areas for Improvement and Additional Issues

The WSD reviewed Liberty's 2021 WMP Update 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 the utility'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.[10]

The WSD identified areas for improvement for Liberty over the next year (set forth below): key areas and additional issues. Key areas of improvement are areas where the WSD finds that an electrical corporation must particularly focus to achieve the greatest reduction in utility-related wildfire risk. Additional issues are areas where the WSD would also like to see improvement over time.

The WSD expects Liberty to take action to address these key areas and report on progress made over the year in a Progress Report due by 5:00 p.m. on November 1, 2021, and in its 2022 WMP Update. The WSD will closely monitor

[10] 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.)

progress in each of these areas over the coming year.

Utility-#	Issue title	Issue description	Remedies required and alternative timeline if applicable
LU-21-01	No Climate-Driven Risk Mapping	Liberty does not have a program that addresses climate-driven risk mapping as required in the WMP guidelines.	Liberty must describe how it applies existing risk analysis models to consider future climate projections.
LU-21-02	Lack of consistency in approach to wildfire risk modeling across utilities	The utilities do not have a consistent approach to wildfire risk modeling. For example, in their wildfire risk models, utilities use different types of data, use their individual data sets in different ways, and use different third-party vendors. The WSD recognizes that the utilities have differing service territory characteristics, differing data availability, and are at different stages in developing their wildfire risk models. However, the utilities face similar enough circumstances that there should be some level of consistency in their approaches to wildfire risk modeling statewide.	The utilities[11] must collaborate through a working group facilitated by Energy Safety[12] to develop a more consistent statewide approach to wildfire risk modeling. After the WSD completes its evaluation of all the utilities' 2021 WMP Updates, it will provide additional detail on the specifics of this working group. A working group to address wildfire risk modeling will allow for: 1. Collaboration among the utilities; 2. Stakeholder and academic expert input; and 3. Increased transparency.

[11] Here "utilities" refers to SDG&E and Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), PacifiCorp, Bear Valley Electric Service, Inc. (BVES), and Liberty Utilities; although this may not be the case every time "utilities" is used through the document.

[12] The WSD is transitioning to the Office of Energy Infrastructure Safety (Energy Safety) on July 1, 2021.

Utility-#	Issue title	Issue description	Remedies required and alternative timeline if applicable
LU-21-03	Limited evidence to support the effectiveness of covered conductor	The rationale to support the selection of covered conductor as a preferred initiative to mitigate wildfire risk lacks consistency among the utilities, leading some utilities to potentially expedite covered conductor deployment without first demonstrating a full understanding of its long-term risk reduction and cost-effectiveness. The utilities' current covered conductor pilot efforts are limited in scope[13] and therefore fail to provide a full basis for understanding how covered conductor will perform in the field. Additionally, utilities justify covered conductor installation by alluding to reduced PSPS risk but fail to provide adequate comparison to other initiatives' ability to reduce PSPS risk.	The utilities[14] must coordinate to develop a consistent approach to evaluating the long-term risk reduction and cost-effectiveness of covered conductor deployment, including: 1. The effectiveness of covered conductor in the field in comparison to alternative initiatives. How covered conductor installation compares to other initiatives in its potential to reduce PSPS risk.
LU-21-04	Lack of current inspection QA/QC Program	While some Quality Assurance/Quality Control (QA/QC) measures are conducted by Liberty personnel,	Liberty must: 1. In its Progress Report, explain how it currently conducts quality checks of its asset inspections.

[13] Limited in terms of mileage installed, time elapsed since initial installation, or both.

[14] Here "utilities" refers to SDG&E and Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), PacifiCorp, Bear Valley Electric Service, Inc. (BVES), and Liberty Utilities; although this may not be the case every time "utilities" is used through the document.

Utility-#	Issue title	Issue description	Remedies required and alternative timeline if applicable
		Liberty does not currently have a formal QA/QC program in place for its asset inspections, with one currently in development for completion by January 2022.	2. Develop an interim QA/QC procedure for asset inspections between now and the establishment of its new QA/QC program by January 2022 in order to ensure that work is being completed accurately and effectively. 3. Provide updates on the development of its QA/QC program in its Progress Report, including: a. The scope of the QA/QC program; b. Procedures of the QA/QC program that Liberty and/or its contractor have developed; and c. The implementation status of the QA/QC program.
LU-21-05	Lack of improvement to visual and detailed asset inspections that specifically target assets and asset components with high ignition risk and areas of highest wildfire risk	Liberty makes minimal improvements to enhance asset inspections outside of meeting GO 165 requirements, with little focus specifically on wildfire risk. Given Liberty's high instance of ignitions due to equipment failures, as well as large number of Level 3[15] findings in 2020, Liberty must work to improve upon its current inspection practices.	Liberty must enhance its current asset inspection process and maintenance programs in order to specifically target: 1. Assets and asset components with higher ignition risk; and Areas of highest wildfire risk.
LU-21-06	Inadequate Justification of Vegetation Management Inspection	Quarterly Report Action LIB-9 (Class B) requires Liberty to "provide a justification with supporting data of its	Liberty must: 1. Clearly detail its VM inspection frequency by inspection type and HFTD Tier. 2. Fully and completely justify its

[15] In accordance with GO 95, an low safety and/or reliability risk.

Utility-#	Issue title	Issue description	Remedies required and alternative timeline if applicable
	Frequency	three-year vegetation inspection cycle outside of Tier 3 HFTD areas."[16] Liberty has not provided such justification. Additionally, Liberty does not provide a clear or consistent explanation of its VM inspection frequency. Liberty states that it performs detailed inspections of entire once every three years per circuit.[17] In its 2020 WMP, Liberty stated that it "plans to inspect its overhead system within Tier 3 of the High Fire-Threat District on an annual basis."[18] It is unclear whether Liberty implemented this plan to inspect its overhead system in HFTD Tier 3 for VM compliance annually as it is not mentioned in its 2021 WMP Update. Liberty does state that is "conducts annual inspections of its facilities in order to identify needed vegetation management work"[19] but	3-year detailed inspection cycle for all circuits. 3. Describe the implementation of any findings from the third-party evaluation. 4. Provide the third-party's evaluation of Liberty's VM program as an appendix.

[16] Wildfire Safety Division Evaluation of Liberty Utilities' First Quarterly Report, January 21, 2021, p. 15

[17] Liberty 2021 WMP Update p. 107

[18] Liberty 2020 WMP p. 89

[19] Liberty 2021 WMP Update p. 119

Utility-#	Issue title	Issue description	Remedies required and alternative timeline if applicable
		does not specify any HFTD Tier. In 2020, Liberty engaged a third-party to "provide a comprehensive assessment of the vegetation management program,"[20] but does not detail in its WMP any finding regarding the effectiveness of its VM inspection frequency.	
LU-21-07	Equivocating Language Used to Describe Risk-Based Decision-Making Improvements	Liberty uses noncommittal and equivocating language to describe improvements to its risk-based decision-making process in section 7.3.7.1.	Liberty must report on its risk-based decision-making in measurable, quantifiable, and verifiable language and discuss its progress and future improvements to the risk-based decision-making process.
LU-21-08	Limited Discussion on Reduction of Size, Scale, and Frequency of PSPS	Liberty has limited discussion on its progress for reduction in size, scope, and frequency of PSPS. Liberty stated that due to its minimal use of PSPS in the past, it is unnecessary or impossible to further reduce PSPS. Nevertheless, Liberty must still report its plans to minimize PSPS scope, scale, and frequency normalized for weather events and climatic conditions.	Liberty must report on its plan to minimize the size, scope, and frequency of PSPS events normalized for weather events and climatic conditions, and fully describe how its planned initiatives minimize PSPS impact.

[20] Liberty 2021 WMP Update p. 111

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.

7. 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 filing 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 each year 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.

Summary of Liberty's Maturity Evaluation

- Overall, Liberty reports steady growth towards its projected 2022 maturity, largely in line with it's the other Small and Multi-Jurisdictional Utilities.
- Liberty reports significant growth in Emergency Planning and

Preparedness, and Stakeholder Cooperation and Community Engagement categories.

- Liberty reports lower current maturity in Situation Awareness and Forecasting than it reported in 2020. This has been attributed to a possible misrepresentation in Liberty's 2020 maturity survey results.

The Commission ratifies the WSD's findings that Liberty has made sufficient progress towards maturity in the past year. The Commission expects that Liberty will continue to evolve its maturity in all areas in order to reduce utility-related wildfire risk.

Liberty's maturity evaluation is further detailed in the attached Action Statement.

8. Next Steps

In its Action Statement, the WSD sets forth the next steps Liberty must take following the WSD's approval of its 2021 WMP Update. This includes a process for significantly modifying (i.e., reducing, increasing, or ending) 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, Liberty is required to provide a Progress Report by 5:00 p.m. on November 1, 2021, including the following:

1. Progress on remedies associated with key areas for improvement listed in section 6.3 of this Resolution and section 1.3 of the attached Action Statement. Further details on remedies can be found in the Action Statement.

2. Additional requirements explicitly set by the WSD, including additional items that require ongoing progress updates, pursuant to future guidance.

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.

9. 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.

10. 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"[21], 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.

11. 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).[22]

[21] Government Code Section 15475.

[22] Executive Order N-30-20, see http://covid19.ca.gov/img/Executive-Order-N-30-20.pdf.

As articulated in the March 27, 2020, joint letters[23] 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.

12. Conclusion

- Liberty'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 Liberty's 2021 WMP Update subject to any requirements contained therein.

[23] 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.

13. 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 publishing of the draft of this Resolution. Reply comments were not accepted.

On June 4, 2021, a draft of this Resolution was served on the service list of R.18-10-007 and posted on the Commission's website, www.cpuc.ca.gov/wildfiremitigationplans.

On June 28, 2021, Liberty and GPI timely submitted comments.

Liberty's comments focused on VM issues, specifically key issue LU-21-06. Liberty presented responses to the remedies for key issue LU-21-06. Liberty's proactive engagement to address remedies is appreciated; however, Liberty is still expected to include this information, along with all other requirements, in its Progress Report and 2022 WMP Update as required.

GPI's comments also focused on VM issues. GPI proposes requiring a peer-reviewed study of all utilities' fuel management practices. The WSD will not require such a study from the utilities at this time. GPI additionally recommends standardizing the identification numbers of deficiencies in the WMP review. The WSD has adopted this recommendation and the deficiency numbering has been standardized across all utilities with the intention of keeping a standard format for future evaluations.

Findings

1. AB 1054 and Commission Resolution WSD-001 require Liberty to file a WMP Update for 2022 that conforms with Pub. Util. Code Section 8386(c) and guidance adopted in Resolution WSD-011.
2. The 2021 WMP Update was 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.
3. The 2021 WMP Update was reviewed and acted upon in compliance with all relevant requirements of state law.
4. Liberty's 2021 WMP Update contains all the elements required by Pub. Util. Code Section 8386(c) and Liberty has 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 Liberty Utilities' 2021 Wildfire Mitigation Plan Update is ratified.
2. Liberty Utilities shall meet all commitments in its 2021 WMP Update.
3. Liberty Utilities shall provide a Progress Report by 5:00 p.m. November 1, 2021, or as otherwise directed by the Office of Energy Infrastructure Safety.
4. Liberty Utilities shall smit any reports previously required to be submitted to the Wildfire Safety Division, including Quarterly Data Reports, to the Office of Energy Infrastructure Safety according to forthcoming guidance.
5. Liberty Utilities shall submit an update to its Wildfire Mitigation Plan in 2022 according to the forthcoming guidance and schedule issued by the Office of Energy Infrastructure Safety.
6. Liberty Utilities shall submit a new comprehensive three-year Wildfire Mitigation Plan in 2023, or as otherwise directed by the Office of Energy Infrastructure Safety.
7. Liberty Utilities must adhere to all requirements set forth in the Wildfire Safety Division's Action Statement.
8. Nothing in this Resolution should be construed as approval of the costs associated with Liberty Utilities' Wildfire Mitigation Plan mitigation efforts.
9. In accordance with Public Utilities Code Section 8386.4, Liberty Utilities may track the costs associated with its Wildfire Mitigation Plan in a memorandum account by category of costs and shall be prepared for Commission review and audit of the accounts at any time.
10. 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 – Action Statement

See attached.

Appendix B – 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:
WSD-018 Action Statement Liberty_2021 WMP

Attachment 1:
Liberty_2021WMP_ActionStatemen_Clean