

## Appendix D

### 2021 S-MAP Revised Lexicon

New terms are highlighted in italics. Revised terms are asterisked, with additions underlined.

<b>2021 S--MAP Revised Lexicon</b>	
<b>Term</b>	<b>Definition</b>
Alternative Analysis	Evaluation of different alternatives available to mitigate risk.
Attribute	An observable aspect of a risky situation that has value or reflects a utility objective, such as safety or reliability. Changes in the levels of attributes are used to determine the consequences of a Risk Event. The attributes in an MAVF should cover the reasons that a utility would undertake risk mitigation activities.
<i>Baseline</i>	<i>A reference point in time at the start of the new General Rate Case (GRC) cycle.</i>
<i>Baseline Risk</i>	<i>The amount of residual risk evaluated at the baseline (i.e. at the start of the new GRC cycle) after taking into account all risk reduction benefits from all risk mitigation activities projected to have been performed by the start of the new GRC cycle. The projected risk mitigation activities include those that are classified by the IOUs as controls, as well as all mitigation activities for which the IOUs are seeking approval and/or funding in the current or upcoming RAMP and GRC applications.</i>
Bow Tie	A tool that consists of the Risk Event in the center, a listing of drivers on the left side that potentially lead to the Risk Event occurring, and a listing of Consequences on the right side that show the potential outcomes if the Risk Event occurs.
Consequence (or Impact)	The effect of the occurrence of a Risk Event. Consequences affect Attributes of a Multi Attribute Value Function (MAVF).
Control	Currently established measure that is modifying risk.
CoRE	Consequences of a Risk Event.
CPUC	California Public Utilities Commission

Driver	A factor that could influence the likelihood of occurrence of a Risk Event. A driver may include external events or characteristics inherent to the asset or system.
Enterprise Risk Register (also referred to as “risk registry” or “ERR”)	An inventory of enterprise risks at a snapshot in time that summarizes (for a utility’s management and/or stakeholders such as the CPUC) risks that a utility may face. The ERR must be refreshed on a regular basis and can reflect the changing nature of a risk; for example, risks that were consolidated together may be separated, new risks may be added, and the level of risks may change over time.
Exposure	The measure that indicates the scope of the risk, e.g., miles of transmission pipeline, number of employees, miles of overhead distribution lines, etc. Exposure defines the context of the risk, i.e., specifies whether the risk is associated with the entire system, or focused on a part of it.
<i>Foundational Activities, Elements, or Programs</i>	<i>Initiatives that support or enable two or more mitigation programs or two or more risks but do not directly reduce the consequences or reduce the likelihood of safety risk events.</i>
Frequency	The number of events generally defined per unit of time. (Frequency is not synonymous with probability or likelihood.)
General Rate Case (GRC)	A CPUC proceeding that is denominated a general rate case, as well as PG&E’s Gas Transmission and Storage (GT&S) rate proceeding.
Inherent Risk	The level of risk that exists without risk controls or mitigations.
Likelihood or Probability	The relative possibility that an event will occur, quantified as a number between 0% and 100% (where 0% indicates impossibility and 100% indicates certainty). The higher the probability of an event, the more certain we are that the event will occur.
LoRE	Likelihood of a Risk Event.
Mitigation	Measure or activity proposed or in process designed to reduce the impact/consequences and/or likelihood/probability of an event.
Multi-Attribute Value Function (MAVF)	A tool for combining all potential consequences of the occurrence of a risk event, and creates a single measurement of value.

Natural Unit of an Attribute	The way the level of an attribute is measured or expressed. For example, the natural unit of a financial attribute may be dollars. Natural units are chosen for convenience and ease of communication and are distinct from scaled units.
Outcome	The final resolution or end result.
Planned or Forecasted Residual Risk	Risk remaining after implementation of proposed mitigations.
Range of the Natural Unit	Part of the specification of an Attribute. For an Attribute with a numerical natural unit, such as dollars, the smallest observable value of the Attribute is the low end of the range and the largest observable value is the high end of the range. Therefore, any Attribute level that results as a consequence of an event, or a risk mitigation action, or of doing nothing should be found within the range. For weighting purposes, the range of the natural units of an Attribute should be able to describe any mitigation action. For an Attribute with a categorical natural unit, such as corporate image, the range of the Attribute is from the least desirable level to the most desirable level.
Residual Risk*	Risk remaining after <del>current controls</del> <u>application of mitigations, including mitigations classified as controls.</u>
Risk	The potential for the occurrence of an event that would be desirable to avoid, often expressed in terms of a combination of various outcomes of an adverse event and their associated probabilities. Different stakeholders may have varied perspectives on risk.
Risk Driver	Same as definition for Driver.
Risk Event	An occurrence or change of a particular set of circumstances that may have potentially adverse consequences and may require action to address. In particular, the occurrence of a Risk Event changes the levels of some or all of the Attributes of a risky situation.
Risk Score	Numerical representation of qualitative and/or quantitative risk assessment that is typically used to relatively rank risks and may change over time.

<p>Risk Tolerance</p>	<p>Maximum amount of residual risk that an entity or its stakeholders are willing to accept after application of risk control or mitigation. Risk tolerance can be influenced by legal or regulatory requirements.</p>
<p>Scaled Unit of an Attribute: a value that varies from 0 to 100</p>	<p>The scaled unit is set to 0 for the most desirable level of natural unit in the range of natural units. The scaled unit is set to 100 for the least desirable level of natural unit in the range of natural units. For any level of attribute between the most desirable and the least desirable levels, the scale unit is between 0 and 100. The benefit achieved by changing the level of an Attribute in natural units is measured by the corresponding difference in scaled units. In the special case of moving from the least desirable level to the most desirable level, the benefit is equal to 100 scaled units.</p>
<p>Settlement Agreement</p>	<p>The entirety of the agreement between Pacific Gas &amp; Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas &amp; Electric Company, The Utility Reform Network, Energy Producers and Users Coalition, Indicated Shippers, and the Public Advocate’s Office of the Public Utilities Commission.</p>
<p>Settling Parties</p>	<p>Pacific Gas &amp; Electric Company (PG&amp;E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and San Diego Gas &amp; Electric Company (SDG&amp;E), The Utility Reform Network, Energy Producers and Users Coalition, Indicated Shippers, and the Public Advocate’s Office of the Public Utilities Commission.</p>
<p>Tranche</p>	<p>A logical disaggregation of a group of assets (physical or human) or systems into subgroups with like characteristics for purposes of risk assessment.</p>