



CPUC Docket: A.23-12-001
Exhibit Number: TURN-03
Witness: Sylvie Ashford

**PREPARED SURREBUTTAL TESTIMONY OF
SYLVIE ASHFORD**

**ADDRESSING THE REBUTTAL TESTIMONY OF
SMALL BUSINESS UTILITY ADVOCATES**

Submitted on Behalf of

THE UTILITY REFORM NETWORK

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January 10, 2025

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1 **I. INTRODUCTION**

2 Pursuant to the Administrative Law Judge’s Ruling dated December 10, 2024,¹ The
3 Utility Reform Network (TURN) submits this surrebuttal testimony on discrete issues presented
4 in the rebuttal testimony of the Small Business Utility Advocates (SBUA) served December 2,
5 2024.² SBUA’s rebuttal testimony appears to mischaracterize TURN’s proposed disallowances
6 for Routine Vegetation Management (RVM) as Enhanced Vegetation Management (EVM)
7 disallowances. SBUA also mistakenly suggests that TURN failed to take issue with PG&E’s
8 dramatic increase in expensive EVM tree removals relative to trims. This testimony seeks to
9 clarify TURN’s recommendations which were presented in two volumes of opening testimony
10 served on November 1, 2024.³

11 **II. SBUA CONFUSES TURN’S ROUTINE AND ENHANCED VEGETATION**
12 **MANAGEMENT PROPOSALS**

13 In rebuttal, SBUA states that it partially agrees with TURN’s reductions to PG&E’s EVM
14 program.⁴ SBUA explains that it shares TURN’s critiques related to “non-essential customer-
15 requested work, rush work ‘acceleration payments’, and poor audit findings.”⁵ In particular,
16 SBUA supports TURN’s estimated disallowance for deeper-than-necessary trims which resulted
17 from customer requests, and shares TURN’s concern that PG&E did not adequately track this
18 work type.⁶ SBUA’s only disagreement is that TURN’s EVM reductions do not go far enough.⁷

¹ Administrative Law Judge Email Ruling Granting PG&E Motion for Leave to File Surrebuttal Testimony and for Expedited Consideration, December 10, 2024.

² Witness qualifications for Sylvie Ashford are provided in Ms. Ashford’s Prepared Testimony (Ex. TURN-02, App-A).

³ Ex. TURN-01 (Enhanced Vegetation Management) and Ex. TURN-02 (Routine Vegetation Management).

⁴ Ex. SBUA-02 (Rebuttal Testimony), p. 3.

⁵ *Id.*, p. 3, lines 12-13.

⁶ *Id.*, pp. 4-5.

⁷ *Id.*, p. 3.

1 However, SBUA is referring here to TURN’s critiques of PG&E’s *RVM*, not EVM,
 2 program. TURN recommends a reduction of \$129.404 million from PG&E’s \$361.357 million
 3 RVM request on these grounds (\$97 million for non-essential work, \$20 million for a rush work
 4 premium, and \$12 million for quality of work issues), as discussed in TURN-02.⁸ Separately,
 5 TURN recommends a full disallowance of PG&E’s \$353.389 million request for EVM due to
 6 imprudent program management and an inadequate approach to risk reduction, as discussed in
 7 TURN-01.⁹ The table below summarizes TURN’s RVM and EVM proposals, reproduced from
 8 opening testimony:¹⁰

9 **Table 1: Summary of TURN Recommendations, VMBA¹¹**
 10 **(\$ 000s)**
 11

VMBA Activity	Adopted	Adopted at 120%	Spend Above 120%¹²	TURN Disallowances
Routine VM	\$277,417	\$332,901	\$361,357	\$129,404
Enhanced VM	\$385,679	\$462,815	\$353,389	\$353,389
Tree Mortality	-	-	\$117,589	-
PG Tree Mortality	-	-	\$1,159	-
Total	\$663,095	\$795,714	\$833,496	\$482,793

12
 13 Despite SBUA’s mistaken reference to TURN’s recommendations for EVM, SBUA
 14 appears to support TURN’s proposed RVM reductions, particularly for non-essential work to
 15 meet customer requests. Like TURN, SBUA’s direct testimony takes issue with PG&E’s request
 16 to recover cost overruns associated with customer requests for PG&E to trim RVM trees to EVM
 17 standards.¹³ However, SBUA did not quantify this disallowance in direct testimony. In rebuttal

⁸ Ex. TURN-02, p. 5, Table 2.

⁹ Ex. TURN-01, pp. 1-2.

¹⁰ Ex. TURN-02, p. 5, Table 2.

¹¹ Ex. PG&E-01, p. 3-3, Table 3-1.

¹² Including E&Y adjustments.

¹³ Ex. SBUA-01, pp. 9-10.

1 testimony, SBUA supports TURN’s estimated quantification of \$97.196 million.¹⁴ TURN
2 clarifies that this disallowance is to RVM costs, not EVM costs.

3 **III. SBUA MISUNDERSTANDS TURN’S EVM RECOMMENDATION**

4 SBUA suggests that TURN’s proposed EVM disallowances “fail to object to PG&E’s
5 unexplained dramatic inversion of the trim to removal ratio” and recommends that PG&E *also*
6 “be disallowed the cost associated with its unjustified over-reliance on tree removal in place of
7 tree trimming.”¹⁵ SBUA misunderstands TURN’s analysis and recommendations for EVM.

8 For EVM, both SBUA and TURN raise concerns which call the entirety of PG&E’s
9 request into question. In its prepared testimony, SBUA contends that PG&E’s EVM tree work
10 request (\$227.6 million) is poorly explained, lacking justifications for an apparent shift in
11 strategy from tree trimming to removals and labor cost increases.¹⁶ SBUA further argues that
12 PG&E’s EVM non-tree work request (\$125.8 million), including wood management and IT
13 costs, is unsupported or should have been anticipated.¹⁷ TURN’s finding that the EVM program
14 exhibited poor cost controls encompasses these tree work and non-tree work areas.¹⁸ Importantly,
15 TURN also finds that PG&E did not consider the risk reduction and cost-effectiveness of the
16 program when making these spending decisions, including, but not limited to, the decision to
17 increase the number of trees removed by 1,481 percent over its forecast.¹⁹

18 Based on TURN’s analysis of PG&E’s cost overruns, TURN concludes that the
19 Commission should disallow *the entirety of* PG&E’s request for \$353.4 million for EVM

¹⁴ Ex. SBUA-02, pp. 4-5.

¹⁵ *Id.*, p. 3.

¹⁶ Ex. SBUA-01, pp. 6-7.

¹⁷ *Id.*, pp. 7-9.

¹⁸ Ex. TURN-01, pp. 6-8.

¹⁹ *Id.*, pp. 5, 8-18.

- 1 because PG&E has not demonstrated the reasonableness of these costs. TURN did not overlook
- 2 excessive tree removal. Rather, SBUA's and TURN's analyses are complementary, and TURN's
- 3 disallowance of all EVM costs addresses SBUA's concern.