

## **Process & Controls**

# **Wildfire Mitigation Plan (WMP) Compliance Assessment Report**

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December 15, 2023

To:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Subject: 2023 T&D/ASP Wildfire Mitigation Plan (WMP) QA Readiness Review –  
Vegetation Management Annual Master Work Plan High-Level Process Review**

Process & Controls (P&C) completed a high-level process review for Vegetation Management's (VM) Annual Master Work Plan. The objective of this review was to provide management reasonable assurance on the existing process and controls by performing a high-level analysis of the end-to-end process related to the Annual Master Work Plan refresh, and provide management recommendations to determine remediation action, as applicable.

### **Scope and Methodology**

Our review included a high-level end-to-end process review related to Vegetation Management's Annual Master Work Plan, as well as compliance evidence review of two WMP Initiatives: VM-7 (Detailed Inspections for the Prescription of Expanded Vegetation Clearances from Distribution Lines in the High Fire Risk Area (HFRA)) and VM-8 (Detailed Inspections for the Prescription of Expanded Vegetation Clearances from Transmission Lines in HFRA).

To complete our review, we performed the following:

- Reviewed the quarterly evidence as of June 30, 2023 to ensure it adequately supports the metrics reported in the SCE Q2 2023 QIU (Quarterly Initiative Update).
- Reviewed the evidence file to identify anomalies, and incomplete or missing data.
- Reviewed current policies, procedures, and/or process flows, as applicable.
- Conducted interviews with applicable Subject Matter Experts to understand the high-level process flow to ensure completeness of the VM inventory and accuracy of the VM Annual Master Work Plan. (Note: Testing of controls within the process were not performed to determine operational effectiveness)

### **Conclusion**

Based on our review of the evidence provided, we concluded there is reasonable assurance the evidence appeared adequate to support the progress of the VM-7 and VM-8 activities. However, we noted several gaps in the end-to-end process related to the VM Annual Master Work Plan refresh. The summary of the observations, potential impacts, our recommendations, and

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corrective actions are included in the Report Addendum. The corrective actions will be tracked in T&D's Critical Action Item (CAI) Tracker and will be reported to the Senior Leadership Team (SLT) monthly. P&C met with management to review and discuss the details contained in this report.

We would like to thank the Subject Matter Experts for their timely submittal of review documentation and their prompt responses and feedback when requested. If you have any questions regarding report content, please contact [REDACTED] via email or at the number noted below.

### ***Process & Controls Team:***

#### ***Project Lead***

[REDACTED]

#### ***Approved By***

[REDACTED]

cc: **Vegetation Management**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Wildfire Safety**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Data & Records Management  
(Information Governance)**

[REDACTED]  
[REDACTED]

**Transmission Performance &  
Master Data Management**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Geospatial Data Maintenance  
& Geospatial Analysis**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Field Accounting Organization**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Environmental Health, Safety  
& Quality**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Audit Services Department**

[REDACTED]

**Ethics & Compliance**

[REDACTED]  
[REDACTED]  
[REDACTED]

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### **Report Addendum: Observations and Improvement Opportunities**

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#### **Observations**

1. **Observation #1: Lack of control to detect inaccurate master data updates processed by Transmission Performance & Master Data Management Team**

Transmission Performance & Master Data Management Team processes various requests for master data updates (e.g., high-fire designation update requests from PSPS team, requests from Engineering and Planning for new circuits and changes to existing circuits, etc.), and maintains the Transmission Inspection Maintenance Plan. Per P&C's high-level process review, it was noted that there is no control for Transmission Performance & Master Data Management Team to detect master data update requests that are processed incorrectly in SAP.

**Potential Impact:**

Inaccurate master data may lead to incorrect updates to the Transmission Inspection Maintenance Plan. This may cause insufficient work to be assigned and performed, which may result in non-compliance.

***Process & Controls (P&C) recommends management:***

T&D Information Governance performs monthly review of SAP and Map3D to identify data anomalies and process corrections. Transmission Performance & Master Data Management Team should consider working with T&D Information Governance to determine whether the current review process can be leveraged to address the risk of incorrect master data updates.

***Management Corrective Action:***

Transmission Performance & Master Data Management Team will work with T&D Information Governance and leverage the existing process to update master data as required. This process already exists via the HFRA Designation Clean up monthly meeting (every third Thursday of the month).

*Corrective Action Owner:* [REDACTED]  
*Anticipated completion date:* March 1, 2024

2. **Observation #2: Lack of control to detect work orders that are not routed to Geospatial Data Maintenance for mapping update**

When work orders are completed by the Field Accounting Organization (FAO), FAO updates work order status to MAPS in SAP, and this triggers an automatic workflow for the Geospatial Data Maintenance (GDM) team to update assets in SCE's mapping system, AutoCAD Map3D. Based on work-flow reviews with both FAO and GDM, it appears that there is no control to detect WMP work orders (both transmission and

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distribution) that are not routed to Geospatial Data Maintenance from FAO and Distribution.

Per the observation from the 2022 WMP Readiness Review for covered conductor, FAO implemented a monthly review process for covered conductor-related WMP work orders to ensure MAPS status is triggered. During the 2023 review, it was also noted that GDM team performs a monthly detailed analysis for covered conductor- and composite poles-related WMP work orders to identify WMP work orders that are expected to be routed to GDM.

#### **Potential Impact:**

Failure to set MAPS status for work orders by FAO may cause untimely or no mapping information update in GIS system for assets associated with those work orders, which will result in inaccurate or incomplete information of assets in the GIS system. Inaccurate mapping information could lead to failure to perform key wildfire prevention and compliance related work (e.g., inspection, maintenance, vegetation clearance, etc.), which may result in non-compliance and safety concerns.

#### ***Process & Controls (P&C) recommends management:***

FAO and GDM should consider working together to address the risk of work orders that are not submitted to GDM for mapping updates, resulting in untimely or no mapping information update for assets related to those work orders. This may eliminate or reduce duplication of efforts as well. Performing a risk assessment to identify specific types of work orders that are high-risk and high-impact is recommended to determine key areas for focus as reviewing all work orders is not feasible nor cost effective. The teams may also consider expanding the current review processes to incorporate additional types of work orders to mitigate the issue.

#### ***Management Corrective Action:***

1. FAO, GDM and P&S (Performance & Strategy) will develop, document, and implement a new control to monitor covered conductor and composite pole-related work orders to detect WMP work orders that are not set to MAPS status for timely mapping update.
2. FAO, GDM and P&S will work with key stakeholders to identify other WMP activities that should be monitored for timely mapping updates.
3. FAO, GDM and P&S will expand the new control to include additional activities identified by management as necessary.

*Corrective Action Owner:* [REDACTED]

*Anticipated completion date:* May 31, 2024

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#### **3. Observation #3: Lack of control to detect incorrect HFRA boundary updates in downstream systems following CPUC approved HFRA boundary changes**

When CPUC approves new HFRA boundaries, Wildfire Operations, Geospatial Analysis, and IT works together to apply the new HFRA boundary into various source systems such as Operational Data Store (ODS) and GE SmallWorld (GESW). Once ODS is updated, various stakeholders review the revised HFRA boundary in the implemented source systems by comparing it against the approved map from the CPUC to ensure accuracy of changes made. The Wildfire Operations team also sends out communications regarding the new HFRA boundaries approved by CPUC to all key stakeholders throughout the enterprise, and each organization is responsible for implementing the change for their own system of record if those systems are configured to obtain HFRA boundary information outside of the ODS source. There is no control to ensure the manual update of these downstream systems is completed timely and accurately.

#### **Potential Impact:**

Utilizing the latest HFRA boundaries in all downstream systems is critical to maintaining effective wildfire mitigation programs. Failure to update HFRA boundaries per CPUC may lead to incorrect fire risk designation for various assets, which in turn may cause insufficient work to be assigned and performed. Ultimately, this could result in non-compliance. However, the risk related to incorrect boundary updates for SAP is mitigated as T&D Information Governance perform monthly review of data anomalies between SAP and Map3D and performs mass data corrections.

#### ***Process & Controls (P&C) recommends management:***

Wildfire Operations should consider developing a process to validate accuracy of HFRA boundary update implementation in downstream systems or request all key stakeholders to perform validation controls to ensure accuracy of updates made and provide self-certification of the results.

#### ***Management Corrective Action:***

1. Wildfire Operations is working with OCM consultant to review and update the stakeholder analysis that was conducted in 2019, before the 2021 project initiation. The analysis update will:
  - Validate the existing stakeholder information and identify any changes or gaps.
  - Assess the current level of awareness, understanding, and support for the project among the stakeholders.
  - Evaluate the impact of the project on the stakeholders.
  - Identify any potential risks or issues that may arise from the stakeholder perspective.

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- Define the roles and responsibilities of the stakeholders in the project implementation and evaluation.

*Corrective Action Owner:* [REDACTED]  
*Anticipated Completion Date:* June 28, 2024

2. Wildfire Operations will create a more formal process and procedures document using the 2020 implementation plan and expanding it to include:
  - High-level description of processes and procedures.
  - Process flow map(s)
  - A new process to validate that SCE systems are updated and accurate.
  - A new process to track and validate with select stakeholders that their systems are reflecting the updated information and they have validated their new scope.
  - Communications strategy/requirements

*Corrective Action Owner:* [REDACTED]  
*Anticipated Completion Date:* June 28, 2024

3. Wildfire Operations will assess additional opportunities for more comprehensive system validations such as:
  - Working with the Wildfire Operations Data Hub Team to determine if WiSDM could be utilized for additional in-depth data quality checks and validations.
  - Continuing the work with Information Governance and determining if there are additional opportunities within their HFRA Designation Clean-up process that we can use to validate data further.

*Corrective Action Owner:* [REDACTED]  
*Anticipated Completion Date:* December 31, 2024

#### **4. Observation #4: Lack of documentation of process and controls related to VM Annual Master Work Plan refresh**

Vegetation Management (VM) field work is assigned based on the VM Annual Master Work Plan. Annually in September/October, VM refreshes the plan to ensure any changes in transmission and distribution assets are reflected correctly in the plan and to ensure completeness and accuracy of the planned work. During the high-level review of the VM Annual Master Work Plan refresh process, it was noted that there are several controls in place, such as reconciliations of various input data and quarterly gap analysis.

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However, it was noted that the process and controls for annual refresh of the plan and the quarterly gap analysis are not documented, resulting in confusion on who should performing which controls. As the responsibilities are constantly changing due to reorganization, which was the case for 2024 plan refresh, it is recommended that we document the processes and controls to clearly define roles and responsibilities and allow for smooth transition.

#### **Potential Impact:**

Failure to perform appropriate control activities may result in an inaccurate and/or incomplete VM Annual Master Work Plan. An incorrect plan may cause insufficient work to be assigned and performed, resulting in non-compliance and/or elevated wildfire risk.

#### ***Process & Controls (P&C) recommends management:***

VM should consider documenting process and controls related to the VM Annual Master Work Plan refresh, including various annual reconciliations and quarterly gap analysis, and assign them to appropriate control owners to eliminate confusion in the process and to ensure accuracy and completeness of the plan.

#### ***Management Corrective Action:***

Approval authority of the VM Annual Master Work Plans is documented in UVM-21, “Internal Controls,” Section 3.2. Approval for changes to work plans or reconciliation processes for adding/removing assets in SCE’s service territory that affect VM operations is not documented. To correct the deficiency, VM will revise procedure UVM-10, “Managing Work and Events” to define the following: (1) Roles and Responsibility for performing asset reconciliation; (2) Frequency of asset reconciliation; (3) Approval authority for managing changes to the workplans; (4) Source data to be used for asset reconciliation; and (5) Evidence required to support reconciliation has been performed.

*Corrective Action Owner:* [REDACTED]  
*Anticipated completion date:* January 31, 2024

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### **Improvement Opportunities**

**1. Improvement Opportunity #1: Lack of control to reconcile VM distribution grids against SCE's service area to ensure completeness**

Vegetation Management (VM) routine line clearance work for distribution is based on grids, which are geometric polygons within SCE's service area. Annually, VM refreshes the Annual Master Work Plan to ensure transmission and distribution line clearances are completed for 100% of SCE's service territory. During the high-level review of the VM Annual Master Work Plan process, it was noted that there is no control to reconcile VM distribution grids against SCE's service area to ensure completeness (i.e., inclusion or coverage of 100% of SCE inventory or territory).

**Potential Impact:**

SCE's service territory would be modified in the event the Company acquires new service areas or when cities begin to provide their own electric service (via municipalities). The frequency of such events is very low. However, the impact of missed work in newly acquired service area may be significant and may lead to non-compliance and/or elevated wildfire risk. *(Note: With SCE switching the unit of measurement from grids to circuits in the near future, the reconciliation may not be needed. However, there should be a control to ensure completeness of circuits in the VM Annual Master Work Plan.)*

***Process & Controls (P&C) recommends management:***

VM should consider implementing a new process to reconcile VM distribution grids against SCE's service territory at least on an annual basis (preferably as part of the VM Annual Master Work Plan refresh process) to ensure completeness of VM distribution grids and to ensure completeness of work performed in the field.

***Management Corrective Action:***

VM will address the risk related to incomplete grids/circuits via quarterly gap analysis control for the Annual Master Work Plan.