

*Southern California Edison*  
*2025-WMPs – 2025-WMPs*

**DATA REQUEST SET Cal Advocates - SCE - 2025 WMP - 05**

**To: Cal Advocates**  
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**Job Title: Senior Advisor – Enterprise Risk Management**  
**Received Date: 4/9/2024**

**Response Date: 4/12/2024**

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**Question 01:**

Area of Continued Improvement (ACI) SCE-23-02 states that “SCE's use of maximum consequence values, as opposed to probability distributions, to aggregate risk scores is not aligned with fundamental mathematical standards and could lead to suboptimal mitigation prioritization decisions.”<sup>4</sup>

Required Progress Item #1 states that SCE must “provide a plan with milestones for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores” for mitigation evaluation, cost/benefit calculations, and risk ranking.”<sup>5</sup>

SCE states in response to this item:

SCE does not anticipate transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for the items listed above. Maximum consequence values are necessary to identify catastrophic wildfires, as catastrophic wildfires occur infrequently (yet have severe consequences when they do) and are difficult to predict using a normal probability distribution. In the sections below, SCE demonstrates that its current methodologies are providing accurate outputs for calculating known risk.<sup>6</sup>

a) Has SCE conducted (or is SCE currently conducting) any analyses, studies, or research into what would be required “for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for mitigation evaluation, cost/benefit calculations, and risk ranking” as directed in ACI SCE-23-02?

b) If the answer to (a) is “no,” explain why not.

c) If the answer to (a) is “yes,” state when this work began and describe the current status.

d) If the answer to (a) is “yes,” provide a copy of all available reports, studies or findings that have resulted from the analysis or research.

e) Has SCE engaged an independent third party to conduct analyses, studies, or research into what would be required “for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for mitigation evaluation, cost/benefit calculations, and risk ranking” as directed in ACI SCE-23-02?

f) If the answer to (e) is “no,” explain why not.

g) If the answer to (e) is “yes,” state when this work began and describe the current status.

h) If the answer to (e) is “yes,” provide a copy of all available reports, studies or findings that have resulted from the analysis or research.

<sup>4</sup> SCE 2025 WMP Update at 35; Office of Energy Infrastructure Safety, *Decision on 2023-2025 Wildfire Mitigation Plan: Southern California Edison Company*, October 24, 2023.

<sup>5</sup> SCE 2025 WMP Update at 35; Office of Energy Infrastructure Safety, *Decision on 2023-2025 Wildfire Mitigation Plan: Southern California Edison Company*, October 24, 2023.

<sup>6</sup> SCE’s 2025 WMP Update at 35

### Response to Question 01:

*a) Has SCE conducted (or is SCE currently conducting) any analyses, studies, or research into what would be required “for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for mitigation evaluation, cost/benefit calculations, and risk ranking” as directed in ACI SCE-23-02?*

SCE has not conducted analyses, studies, or research into what would be required “for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for mitigation evaluation, cost/benefit calculations, and risk ranking.”

*b) If the answer to (a) is “no,” explain why not.*

The recitation of ACI SCE-23-02 in the question above is incomplete. In addition to the language quoted above in this data request, ACI SCE-23-02 alternatively provided SCE an opportunity to “propose an alternative strategy or demonstrate that its current methodologies are providing accurate outputs for calculating known risk.”

In its response to the ACI, SCE explained that its current methodologies are providing accurate outputs. SCE currently uses deterministic, physics-based models, rather than probabilistic-based models. As SCE explained in its response to the ACI, physics-based models are appropriate for wildfire consequence modeling as they are based on current, highly granular data about potential fire behavior at unique ignition points. As SCE also explained, wildfires are not akin to risks with a large volume of events, in which case a probabilistic approach might be more useful or insightful. Catastrophic wildfires, such as the recent Maui example SCE provided in its response, tend to be unique events based on extremely local conditions, and which are not well-suited to probabilistic modeling.

Transitioning to probabilistic models would require SCE to completely disregard its more granular, location-specific wildfire risk models and rebuild them system wide, with a more uncertain probabilistic-base model. Not only would this process be extremely disruptive to existing mitigation prioritization and deployment, but it may also take several years to implement, and likely produce

an inferior result when applied to specific locations.

*c) If the answer to (a) is “yes,” state when this work began and describe the current status.*

N/A

*d) If the answer to (a) is “yes,” provide a copy of all available reports, studies or findings that have resulted from the analysis or research.*

N/A

*e) Has SCE engaged an independent third party to conduct analyses, studies, or research into what would be required “for transitioning from using maximum consequence values to probability distributions in its 2026-2028 Base WMP when aggregating risk scores for mitigation evaluation, cost/benefit calculations, and risk ranking” as directed in ACI SCE-23-02?*

No.

*f) If the answer to (e) is “no,” explain why not.*

See response to part b. SCE’s approach is aligned with industry experts and practitioners such as CalFire.

*g) If the answer to (e) is “yes,” state when this work began and describe the current status.*

N/A

*h) If the answer to (e) is “yes,” provide a copy of all available reports, studies or findings that have resulted from the analysis or research.*

N/A