

June 6, 2023

Caroline Thomas Jacobs, Director Office of Energy Infrastructure Safety California Natural Resources Agency 715 P Street, 20th Floor Sacramento, CA 95814

SUBJECT: Reply to Comments Regarding SCE's 2023-2025 Wildfire Mitigation Plan

Dear Director Thomas Jacobs:

SCE appreciates the opportunity to respond to comments on its 2023-2025 Wildfire Mitigation Plan (WMP) that were provided by stakeholders on May 26, 2023.

INTRODUCTION

Over 400 pages of comments were provided by stakeholders, which contained numerous observations and recommendations. SCE responds to specific issues below within the five pages permitted for reply, and notes that silence on a particular issue or point raised in the May 26 stakeholder comments should not necessarily be construed as tacit assent.

TURN'S COMMENTS REGARDING USE OF THE WMP TO "CIRCUMVENT" THE GRC ARE MISPLACED

TURN states that Energy Safety should make "clear that the WMP process does not permit a utility to circumvent a CPUC GRC decision that determines the authorized size of a wildfire mitigation activity."¹ TURN describes a scenario in which a utility will obtain forecast-based cost recovery for proposed work in a GRC, then have its WMP approved with higher levels of work for the same activities, and then seek incremental after-the-fact cost recovery at the CPUC through the Wildfire Mitigation Plan Memorandum Account (WMPMA) mechanism. TURN suggests that the regulators should make clear that using an approved WMP to justify incremental costs in such a reasonableness review is a futile effort.

TURN's characterization is incorrect and should be rejected. This scenario would not constitute a "circumvention" of a "GRC decision;" to the contrary, the Legislature created the WMPMA as an addition to the GRC process.² TURN's alleged "another bite at the [cost recovery] apple," is instead reflective of the Commission's longstanding, careful balancing exercise between forecast-based ratemaking (and its inherent limitations), and after-the-fact reasonableness review via CPUC-approved memorandum account tracking. Accordingly, TURN's suggested language³ should not be included.

SCE respectfully requests that OEIS evaluate SCE's 2023-2025 WMP on its substantive, safety-informed merits, while the CPUC continues its obligation to address ratemaking and cost recovery issues. SCE notes

¹ TURN, p. 10.

² "Each electrical corporation shall establish a memorandum account to track costs incurred for fire risk mitigation that are not otherwise covered in the electrical corporation's revenue requirements." P.U.C. § 8386.4(b)(1).

³ TURN, p. 11.

that while cost recovery should and must remain a matter for the CPUC, the WMP is a meaningful proceeding and is relevant to SCE's justification for its decisions and costs related to wildfire mitigation.

<u>SCE'S INTEGRATED WILDFIRE MITIGATION STRATEGY (IWMS) IS A HOLISTIC APPROACH TOWARDS</u> <u>ANALYZING RISK THAT LEVERAGES DATA AND EXPERT ANALYSIS</u>

MGRA and Cal Advocates imply that IWMS is flawed because it does not follow a model output that multiplies probability of ignition (POI) by consequence.⁴ SCE agrees that POI modeling is valuable, but notes that it has limitations. Because POI model outputs are based in part on age and historical outages, they are suitable (and used by SCE) for informing near-term and iterative mitigations such as the location and frequency of asset and vegetation inspections.⁵ POI modeling also helps inform, on a portfolio basis, the relative effectiveness of potential mitigations.⁶

However, POI is not static and will change over time. Cal Advocates and GPI acknowledge these challenges and the need for a nuanced approach.⁷ In contrast to POI, consequence factors tend to be static; features such as hilly terrain, abundant fuels, and limited road availability—which are critical components to the IWMS—tend to not change and can readily be verified. Also, POI remains a singular view, whereas consequence can be analyzed from multiple risk factors such as egress or the potential for smaller, fastmoving fires to threaten communities.⁸

While using POI in the past, SCE's experience and learnings have demonstrated that it is not optimal to rely on POI for long-term, capital-intensive mitigations such as targeted undergrounding (TUG). For example, a circuit segment may have a low POI but a high potential consequence. Blindly following the POI multiplied by consequence model (which would be a low value due to the low POI) might result in insufficient hardening of that segment. SCE has provided examples in Appendix 1 of these comments.

During the Review and Revise phase of IWMS,⁹ when SMEs manually review all unhardened Severe Risk Area designations, SCE considers risk drivers that influence both POI and consequence such as vegetation, wind, and terrain. Given the: (1) limitations of POI models; (2) stability, verifiability, and versatility of consequence data; and (3) consideration of POI factors in a SME review, it is unnecessary to further incorporate POI models into IWMS.

SCE'S TUG ADDRESSES SPECIFIC AREAS OF SEVERE RISK

Parties questioned SCE's Targeted Undergrounding (TUG) program, commenting that TUG is a "default solution"¹⁰, that a project-specific RSE is required, or that SCE "favors" TUG¹¹ without a sound basis in risk analysis and case-by-case review of potential TUG decisions. On the contrary, SCE uses TUG in carefully selected and targeted situations; see Appendix 2 for examples. In Severe Risk Areas the risks associated with a significant wildfire is so high that the cost of TUG is justified to prevent the catastrophic loss of life from wildfire. SCE's goal in such areas is to reduce the risk of wildfire as much as practicable, which may

⁴ Cal Advocates, p. 52; MGRA, pp. 69-70.

⁵ SCE's 2023-2025 WMP, p. 291 and pp. 395-396.

⁶ SCE's 2023-2025 WMP, pp. 194-204.

⁷ Cal Advocates, p. 51.

⁸ SCE's 2023-2025 WMP, pp. 194-204.

⁹ SCE's 2023-2025 WMP, pp. 114-116.

¹⁰ MGRA, p. 9.

¹¹ TURN, p. 4.

entail removal or de-energization of facilities, undergrounding overhead lines, use of remote grids, REFCL, and/or covered conductor if the aforementioned solutions are infeasible.

TURN and Cal Advocates suggest¹² that modeling results and quantitative analysis indicate that the additional incremental cost of deploying TUG rather than CC++ is not worth the investment to mitigate the residual risk. This is the wrong view, as the higher potential for loss of life in these areas make TUG the appropriate mitigation. SCE's IWMS criteria, followed by the Review and Revise phase mentioned above, is intended to identify and evaluate these specific locations in which undergrounding is the more prudent mitigation measure to protect public safety as compared to CC++.

SCE's methodology to scope its TUG program is limited, prudent and reasonable; SCE is proposing to underground approximately 600 miles over five years, which represents 20% of the 2,950 Severe Risk Area miles (the highest risk areas where SCE is targeting its limited undergrounding effort) and only 6% of its 9,600 miles of overhead distribution HFRA. SCE described in its WMP¹³ the intensive manual review performed by its team of expert engineers, planners, risk management professionals and leaders to designate Severe Risk Areas and select appropriate mitigations.

While underground deployment generally takes one or two years longer than mitigations such as CC++, it is important to consider that the incremental risk mitigation benefit of TUG extends for approximately 40 years. In the interim, SCE has measures in place to mitigate the risk of ignitions, such as fast curve settings, long span initiative, and fuses. Further, SCE continues to conduct asset and vegetation inspections at higher frequencies in Severe Risk Areas. While these interim mitigations provide risk reduction in the period before TUG projects are completed, they are not a substitute for the more effective and longer-term risk reduction benefits achieved with TUG.

TURN's statement that "because of the remaining poles and wires" risk reduction from undergrounding "will likely be less than expected"¹⁴ is misguided. Egress risk is based on limited roads capacity relative to population, not remaining above-ground poles and wires; in any case, undergrounding virtually eliminates the risk of utility-caused ignitions in the first place.

SCE COMPLIED WITH ENERGY SAFETY GUIDANCE REGARDING WIND LOADING CONDITIONS

MGRA's assertion¹⁵ that SCE "simply ignore[d]" Energy Safety guidance by not analyzing Wind Load Conditions 3 and 4 is false. Where electrical corporations do not perform certain calculations or analysis, Energy Safety's guidance allows electrical corporations to provide an explanation.¹⁶ SCE complied by providing the required explanation.¹⁷

SCE CONTINUES TO PRIORITIZE AND ADDRESS INSPECTION FINDINGS

Cal Advocates recommends that SCE provide a plan to address ignition risk maintenance tags and prevent future overdue occurrences along with related recommendations.¹⁸ SCE's WMP includes its plans to address these issues, including its commitment to "substantially complete the static list of unconstrainted

¹² TURN, p.5; Cal Advocates pp. 52-53.

¹³ SCE's 2023-2025 WMP, pp. 114-115.

¹⁴ TURN, p. 7.

¹⁵ MGRA, pp. 76-79.

¹⁶ OEIS 2023-2025 Wildfire Mitigation Plan Technical Guidelines, p. 30.

¹⁷ SCE's 2023-2025 WMP, pp. 153-154.

¹⁸ Cal Advocates pp. 55 & 59-60.

notifications by the end of Q3 in 2023."¹⁹ SCE has made meaningful progress to prioritize and remediate notifications that present ignition risks²⁰ and reduce the overall past-due notifications. Many notifications involve GO 95 exemptions or require third-party action, which can delay remediations. SCE has: (1) applied the risk prioritization methodology used for its backlog to all open notifications; (2) will have closed nearly half of its static backlog of open notifications, without attached GO 95 exceptions or internal constraints, identified in SCE's 2023 WMP by the end of Q2 2023; and (3) has continued to monitor and encourage third parties to remediate notifications outside of SCE's control. SCE continues to refine its risk-prioritization within compliance timelines.

SCE CONTINUES TO ADDRESS SECONDARY CONDUCTORS WITH AN APPROPRIATE SENSE OF PRIORITIZATION AND URGENCY

Cal Advocates states that SCE lacks "proactive measures" to address secondary conductor-related ignitions.²¹ However, SCE has increased efforts on mitigations for this issue. SCE's inspections and vegetation management activities encompass all parts of a structure, including secondaries. Further, highrisk poles with only secondary lines attached are also included in SCE's HFRI Inspection program and inspected pursuant to its risk-informed scoping plan.

As SCE stated in its WMP,²² SCE is developing a predictive model for secondary conductor. This effort continues with an appropriate sense of urgency toward completion this year. SCE also continues to prioritize efforts to address potential ignition risk from the secondary distribution system. SCE published standards in 2022 to include secondary bare wire replacement as part of the Wildfire Covered Conductor Program. Due to engineering processes and project planning timeframes, this will be initially in place for projects with 2024 timeframes.

SCE IS ADDRESSING CONCERNS RAISED BY THE CITY OF MOORPARK

In response to comments from the City of Moorpark regarding the Strathern and Morganstein circuits,²³ SCE acknowledges the inadvertent omission of the Morganstein circuit from its list of frequently deenergized circuits. The Morganstein circuit was de-energized three times in 2021, and SCE has scoped the circuit for approximately 10 miles of covered conductor installation in 2023, which should significantly reduce the use of PSPS on that circuit. The Strathern circuit was correctly excluded from the frequently de-energized circuits list as it did not meet the criteria.²⁴

ADDITIONAL REQUESTED PSPS DATA IS REDUNDANT WITH EXISTING SOURCES

Green Power Institute (GPI) recommends that SCE provide metrics on circuits eligible for higher PSPS wind speed thresholds based on covered conductor installation, as well as information about PSPS reduction impact of covered conductor.²⁵ This is unnecessary; in its PSPS Post-Event Reports, SCE already presents this type of information for in-scope circuits or isolatable circuit segments that have covered conductor installed.²⁶ Further, Cal Advocates suggests SCE should be required to resubmit information on its

¹⁹ SCE's 2023-2025 WMP, pp. 327-330 and 756-761.

²⁰ SCE's 2023-2025 WMP, p. 761.

²¹ Cal Advocates, p. 48.

²² SCE's 2023-2025 WMP, p. 178.

²³ City of Moorpark, p. 2.

²⁴ SCE's 2022 WMP, p. 572. The list of circuits in the table "does not represent the entirety of circuits on which SCE has accelerated prescriptive PSPS mitigations." SCE will review the rest of the list for completeness and will inform of any further updates.

²⁵ Green Power Institute (GPI), p. 77.

²⁶ SCE's November 24, 2022 Post Event Report, Excel Data Workbook Table 3 and Attachment C; see also pp. 14-15, 41-42 (available at on.sce.com/PSPSposteventreports).

community outreach and engagement with vulnerable customers regarding PSPS.²⁷ Doing so is also unnecessary and would duplicate the information already presented to stakeholders, Energy Safety, and the CPUC. For example, SCE has provided detailed information on its customer care programs in Sections 8.4 and 8.5 of its 2023-2025 WMP, through discovery propounded by Cal Advocates,²⁸ and through SCE's Access and Functional Needs (AFN) Plan and its associated Quarterly updates.²⁹ The CPUC has made clear in D.21-06-034 that there should not be duplication of information across different reports or proceedings, specifically referring to IOUs' PSPS reports and the WMPs.³⁰ Accordingly, Energy Safety should not adopt Cal Advocates' recommendations.

HANDLING OF VEGETATION "SLASH" MAY REQUIRE ADDITIONAL RESOURCES

Regarding comments from GPI,³¹ SCE notes that implementing a slash/residue program that involves more oversight and reporting would require increased personnel resources and funds. In some cases, permitting requirements include terms related to how slash/residue is handled.

FAST CURVE SETTINGS SHOULD NOT BE CONFLATED WITH PSPS OR PLANNED OUTAGES

Cal Advocates and RCRC recommend guidelines for "fast-trip programs" similar to guidelines for PSPS; this should not be adopted.³² These comments reflect a misunderstanding of fast curve settings. There is no distinct "fast-trip" type of outage (or at least not one that can be identified). Per extensive discovery³³ as well as SCE's public filings in the CPUC's PSPS OIR proceeding:³⁴ (1) there has been no increase in unplanned outages on SCE's fast curve-enabled circuits; and (2) unplanned outages are distinct from planned, proactive PSPS events and not amenable to advance notice. The Cal Advocates proposals for mitigating customer impact of so-called "fast-trip outages" (e.g., by notifying all customers on nearly 1,000 HFRA circuits with fast curve capability) are misguided and likely impossible to operationalize.

From the perspective of regulatory oversight, there is no basis to distinguish unplanned outages on circuits with fast curve settings enabled from unplanned outages on circuits without such capability. Accordingly, regulation specific to unplanned outages on fast curve-enabled circuits, as recommended by Cal Advocates and RCRC, is unnecessary and would not benefit customers.

CONCLUSION

SCE appreciates the opportunity to reply to the comments submitted regarding its WMP. If you have questions, or require additional information, please contact me at connor.flanigan@sce.com.

Sincerely, //s// Connor Flanigan Managing Director, State Regulatory Operations

 ²⁸ Cal Advocates Data Request No. 15a, Question 5 and Question 8; AFN Plan Appendix A (page 71-79): https://www.sce.com/sites/default/files/AEM/Supporting%20Documents/2023-2025/AFN%20Plan.pdf
²⁹Q4 QUARTERLY UPDATE TO 2022 AFN PLAN FOR PSPS SUPPORT Appendix B. p. 80, <u>Cover Pleading for 2023 AFN Plan</u> and 2022 Q4 Update.docx (ca.gov)

²⁷ Cal Advocates, p. 63.

³⁰ D.21-06-034 (in R.18-12-004), p. 146.

³¹ GPI, p. 2.

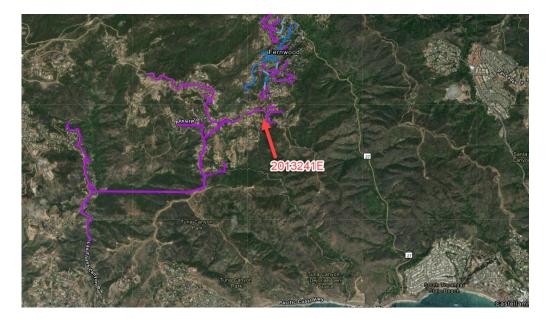
³² Rural County Representatives of California (RCRC), pp. 7-8; Cal Advocates, pp. 87-88.

³³ SCE's responses to Cal Advocates WMP Data Request No. 10, Questions 06-07; OEIS WMP Data Request No. 003, Question 8; SCE's response to Cal Advocates PSPS Data Request No. 47, Question 1 in R.18-12-005.

³⁴ SCE's Reply Comments to Parties' Opening Comments Regarding Post-Season Reports for the 2022 Public Safety Power Shutoff Events, April 3, 2023, pp. 1-4, <u>https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M505/K736/505736515.PDF</u>.

APPENDIX #1: LOW POI, HIGH CONSEQUENCE AREAS

The following examples show circuit segments with POIs in the bottom 20th percentile of SCE's HFRA, due to nature and quantity of assets, but with relatively high potential consequence, as demonstrated by the hilly terrain and dense vegetation. The arrows on the maps below indicate the specific segments with low POI.











APPENDIX #2: SEVERE RISK AREA EVALUATION EXAMPLE

Below is documentation and pictures of a Severe Risk Area that is being scoped for TUG.

Circuit Name: VICASA	Iso-Segment ID: VICASA_RAR0646_RAR0700_RAR0956_RAR50 87_RCS0746; VICASA_RAR0700_EOL	PIF: 335531
Project Scope Information: 1.44 miles in Topanga California	Tier 3 HFRA, Egress, Burn in Buffer	Work Orders:TD1941970; TD2010338; TD2010341; TD2010343; TD2010344; TD2022003; TD2022005; TD2022007;TD2022009;TD 2022011
Brief description of relevant local conditions considered		
Surrounding fuel	Widespread and continuous	
Vegetation type and amount	Mostly heavy brush (mixed chaparral) with some grass and scattered oak trees. Overall fuel loading is heavy throughout the area.	
Wind direction and/or speed	North to Northeast 30 mph with much higher gust.	
Relevant terrain (hills, canyons)	Complex terrain consisting of multiple canyons and ridgetops	
Structure/population proximity and location	Large suburban area to the north with scattered structures and populations to the south	
Historical fires	The Woolsey Fire occurred in 2018 to the north and west of the area. The Topanga Fire burned this area in 1993. Both fires resulted in loss of life and property.	
Natural or artificial barriers	None	
TS Max Acres	0 - 5,439 Acres	

