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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to  
Implement Electric Utility Wildfire  
Mitigation Plans Pursuant to  
Senate Bill 901 (2018).

Rulemaking 18-10-007

**ADMINISTRATIVE LAW JUDGE'S RULING ON WILDFIRE MITIGATION PLAN  
TEMPLATES AND RELATED MATERIAL AND ALLOWING COMMENT**

This ruling seeks party review and comment on the proposed Wildfire Mitigation Plan (WMP) template(s) and other evaluative materials on which the Commission will rely in 2020. The Commission has developed a new process for submission and evaluation of electrical corporations' WMPs in 2020 that will use 2019 data as a baseline and use a "maturity model" to evaluate respondent electrical corporations' progress over time in mitigating the risk of catastrophic wildfire.<sup>1</sup>

Assembly Bill (AB) 1054 and AB 111 provide for a transition of the WMP work previously handled in a formal proceeding before an Administrative Law Judge to a process run by the newly created Wildfire Safety Division (WSD). In its first year of operation, the WSD will work from the attached materials, but the evaluation criteria for WMPs will continue to evolve over time. It is expected

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<sup>1</sup> Respondent electrical corporations are Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Liberty Utilities (CalPeco Electric), Bear Valley Electric Service, a division of Golden State Water Company, and Pacific Power, a division of PacifiCorp, along with several Independent Transmission Owners identified in Decision 19-05-036.

that WSD's work in 2020 will result in lessons that cause further refinement of the process for subsequent years. Further, WSD may revise the attached material for evaluating and determining compliance with WMPs as it staffs up and gains experience with the WMP process. With that proviso, the following is an overview of the required contents of WMPs, data submissions, metrics, and the maturity model. Further information is provided in the attachments themselves.

Parties to this proceeding may comment on the matters raised in this ruling and its attachments no later than January 7, 2020, and comments shall not exceed 15 pages. For purposes of transparency, this ruling is being concurrently served on the Commission's Public Safety Power Shutoff (PSPS) /De-Energization proceeding, Rulemaking (R.) 18-12-005, and its Disaster Relief proceeding, R.18-03-011. Any stakeholder wishing to file comments in accordance with this ruling shall file them in R.18-10-007 as described below.

### **1. Utility WMP Submission Requirements and Wildfire Mitigation Evaluation**

Pursuant to Senate Bill 901 (2018), the Commission has required electrical corporations<sup>2</sup> to submit WMPs assessing the level of wildfire risk and outlining their plans to address this risk. The WSD and Safety and Enforcement Division (SED) staff will determine whether or not the actions proposed by each utility are appropriate to address the level of risk identified and whether the plan will put the utility on a path to achieving the Commission's long-term wildfire risk reduction goals.

California's investor owned electric utilities submitted their first WMPs to the Commission in 2019. Based on lessons learned from the 2019

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<sup>2</sup> While a few Independent Transmission Owners submitted WMPs, this ruling applies to electric investor owned utilities – that is, all respondents to this rulemaking except the Independent Transmission Owners.

submissions and the 2019 wildfire season, WSD and SED staff are implementing changes to the WMP process.

The revised WMP Guidelines represent a milestone in the evolution of the WMP process and are intended to aid in the evaluation of utilities' wildfire mitigation efforts and ensure consistency with the Commission's long-term wildfire goals.

The full set of materials includes the following documents:

1. **WMP Guidelines**, which include a long-term approach for the WMP review timeline, requirements for the utility filings, and a mapping of the WMP Guidelines to statutory requirements.
2. **Utility Wildfire Mitigation Maturity Model**, which describes a methodology and provides a framework that can be used to assess utility capabilities in reducing wildfire risk and corresponding maturity levels.
3. **Utility Survey**, which collects utility information relevant to the Utility Wildfire Mitigation Maturity Model.
4. **WMP Metrics**, which evaluate each utility's wildfire mitigation approach, progress, and results related to ongoing wildfire mitigation activities.
5. **Supplemental Data Request**, which outlines a broader set of data that the Commission is requesting from utilities and intends to formalize in requirements in the 2021 WMP process to evaluate utility plans, activities, and outcomes in greater detail.

As part of their 2020 WMP filing, due on February 7, 2020, utilities shall develop their WMPs by following these WMP Guidelines and complete the Utility Survey as an input to the maturity evaluation that WSD and SED staff will conduct using the Utility Wildfire Mitigation Maturity Model.

More detail about each attachment follows.

### **Attachment 1 - Utility Wildfire Mitigation Plan (WMP) Guidelines**

The WMP is a standardized mechanism with which the Commission holds utilities accountable for reducing wildfire risk and reducing the use of PSPS events. In 2020, revised WMP Guidelines ensure that utilities submit relevant, sufficient and standardized data that allows reviewers to conduct thorough evaluations.

The detailed revisions to the WMP processes are found in the WMP Guidelines document, which achieves the following:

- Data disclosures are frontloaded by requiring utilities to submit data no later than the deadline for WMP submittal.
- Data collection is standardized using templates, which are provided throughout the WMP Guidelines. These templates require the structured disclosure of wildfire and PSPS-relevant data from the utilities in a format that is well-defined and comparable to facilitate assessment of wildfire mitigation activities and sharing of best practices both with other utilities and other agencies and stakeholders in California.
- Analysis of detailed and standardized data formats is enabled by requiring utilities to provide relevant attachments. For example, utilities are required to provide various maps in GIS formats to enable reviewers to visualize and analyze this data at a granular level, as needed.
- There is an emphasis on “risk spend efficiency” – maximizing the amount of risk reduction achieved per dollar spent. Utilities are required to quantify their planned investments and resources allocated to wildfire mitigation efforts and to disclose the expected impact using relevant outcome-based metrics.

The revised WMP Guidelines develop a focus on longer-term planning. While future guidelines will require iteration, this first revision is a step toward establishing a baseline understanding of the risk that each utility faces and enabling planning over the 3-year WMP cycle and beyond. In particular, the WMP Guidelines provide an outlook on longer-term investments and grid modernization necessary to reduce the probability of utility-caused ignitions and the potential consequences if such ignitions occur.

### **Attachment 2 and Attachment 3 - Utility Wildfire Mitigation Maturity Model and Utility Survey**

Based on lessons learned from the 2019 WMP process, Commission staff developed a formalized evaluation framework called the Utility Wildfire Mitigation Maturity Model. The Utility Wildfire Mitigation Maturity Model describes capabilities and corresponding maturity levels. Furthermore, a Utility Survey is provided to collect utility information relevant to each utility's maturity.

Specifically, the Utility Wildfire Mitigation Maturity Model is being implemented by:

1. Identifying a set of utility wildfire mitigation capabilities that represent a comprehensive set of best practices in managing wildfire risks.
2. Assessing the baseline maturity of each utility by comparing its practices to an absolute reference established in the maturity model and using utility-reported data in the form of survey responses, which will be confirmed by additional data disclosures and audits, as needed.
3. Scoring each utility's targeted maturity advancement following the end of the 3-year WMP timeframe, based on the utility's WMP submission and survey.

4. Annually re-evaluating utility maturity to track progress against targeted maturity advancement.
5. Updating the maturity model as needed to drive improvement over the long-term.

This Utility Wildfire Mitigation Maturity Model is intended to provide the Commission and the public with a nuanced and objective view of the utility's wildfire mitigation capabilities and identify best practices that should be shared.

#### **Attachment 4 - WMP Metrics**

Going forward, a set of metrics will be introduced for evaluation of utility implementation of WMPs. The metrics are in development and will continue to evolve, but the attached document, titled WMP Metrics, lays out an initial set that was created based on workshops, party comments and metrics suggested in the Safety Model Assessment Proceeding (Application 15-05-002 *et al*).

There are two sets of WMP Metrics: Progress Metrics designed to track reductions of wildfire risk exposure and Outcome Metrics that track performance against related outcomes. Apart from these metrics, utilities are expected to develop a set of "Program Targets" to track implementation of the self-defined set of initiatives in their WMPs.

Progress Metrics track risk reduction activities in general and can be used to compare relative progress toward wildfire risk reduction. Progress Metrics were developed to ensure that the concrete steps utilities implement are demonstrably reducing and improving utilities' ability to manage wildfire and PSPS risk. Program Targets, by contrast, measure utility-specific WMP implementation progress against self-imposed targets outlined in submitted utility WMPs.

Outcome Metrics were developed to track performance against safety, property, affordability, reliability, sustainability and natural resources priorities. Outcome metrics include a combination of leading indicators (*e.g.*, wildfire near-misses from utility equipment failure) and lagging indicators (*e.g.*, number of fatalities due to utility-ignited wildfire).

Progress Metrics and Outcome Metrics are normalized, where applicable, by relevant factors to support comparison across years, different types of territory, and across utilities.

While all of the metrics proposed are relevant in tracking progress and outcomes toward reduced risk of utility-ignited wildfire and PSPS, some of the metrics rely on utilities collecting data from other agencies, including the California Department of Forestry and Fire Protection (CAL FIRE) and the California Governor's Office of Emergency Services (Cal OES).

#### **Attachment 5 - Supplemental Data Request**

A Supplemental Data Request (SDR) is being issued to the utilities as part of the 2020 WMP process but separate from the 2020 WMP Guidelines. In 2020, the utilities are requested to provide all data outlined in the SDR that they have available or can prepare ahead of the 2020 WMP submission. The WSD intends to provide an updated version of this SDR for use in 2021 and beyond.

The WMP Guidelines and all related documents are expected to evolve with input from stakeholders. In the meantime, the utilities shall use these WMP Guidelines for the development of their 2020 WMPs.

## 2. Comment Process

For purposes of transparency, this ruling is being concurrently served on the Commission's PSPS/De-Energization proceeding, R.18-12-005, and its Disaster Relief proceeding, R.18-03-011. Any stakeholder wishing to file comments in accordance with this ruling shall file them in R.18-10-007, this Wildfire Mitigation Plan proceeding. If such stakeholder is not a party to proceeding R.18-10-007 and wishes to file comments responsive to this ruling, the stakeholder shall file a motion for party status in R.18-10-007 in accordance with Commission rules along with its comments.

### **IT IS RULED** that

1. Any party to Rulemaking 18-10-007 may file and serve comments on the contents of the Wildfire Mitigation Plan materials attached to this ruling no later than January 7, 2020. Such comments shall not exceed 15 pages.
2. Any stakeholder that is not a party to this proceeding (Rulemaking (R.) 18-10-007) that wishes to file comments shall file concurrently with their comments in proceeding R.18-10-007 a motion for party status in R.18-10-007 in accordance with Commission rules.

Dated December 16, 2019, at San Francisco, California.

/s/ SARAH R. THOMAS

Sarah R. Thomas  
Administrative Law Judge