



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

October 2, 2023

President Alice Reynolds
California Public Utilities Commission
505 Van Ness Ave,
San Francisco, CA 94102

RE: Pacific Gas and Electric 2023 General Rate Case

Dear President Reynolds:

On behalf of the Rural County Representatives of California, we are pleased to provide feedback on Pacific Gas and Electric's 2023 General Rate Case, currently pending consideration by the Public Utilities Commission (CPUC). RCRC is an association of forty rural California counties, and our Board of Directors is comprised of an elected Supervisor from each of our member counties.

While not a party to the 2023 General Rate Case (GRC) Proceeding, RCRC has a keen interest in the investments in—and execution of—wildfire risk reduction, utility vegetation management, and energy reliability measures. RCRC member counties comprise the vast majority of the state's forested lands and high fire hazard severity zones. As such, our communities have borne the majority of destruction caused by high severity wildfires and experienced most of the state's Public Safety Power Shutoff (PSPS) events. While PG&E has significantly reduced the number and scope of PSPS events, many of our communities continue to be plagued by widespread and frequent power outages resulting from the Enhanced Powerline Safety Settings (EPSS) program.

Last year, over 2,200 outages impacted 750,000 customers (likely nearly two million Californians), with eight circuits experiencing fifteen to nineteen outages from April through October 2022. This year, there have been over 1,200 outages impacting over 550,000 customers through mid-August. This decline in the number of outages reflects the delayed onset of EPSS outages this year compared to last year, but there have been significantly more outages during July and August 2023 compared to the same months last year. RCRC has and continues to request that the CPUC and PG&E take greater action to reduce the number and risk of future EPSS outages through vegetation management, recalibration of settings, installation of covered conductors, and undergrounding of powerlines in high fire risk areas.

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The GRC is an opportunity to connect the dots on investments that pertain to customer outcomes, especially as it relates to the corresponding base 2023-2025 Wildfire Mitigation Plan currently under consideration by the Office of Energy Infrastructure Safety (Energy Safety). Using EPSS as an example, an approved GRC should enable PG&E to identify specific timelines and improvements to frequently impacted fast-trip circuits in the monthly reports currently being submitted to the Commission.¹ Presently, PG&E articulates a 2% year over year decrease in the number of EPSS outages but offers little insight on how it will execute or prioritize such improvements on discreet, frequently impacted circuits.

Rural California has acutely felt the dangers of unsafe electrical infrastructure—and the resulting devastation it can cause—as well as the inconsistent delivery of power. The CPUC must balance ratepayer investments *and accountability* of investor-owned utilities (IOUs) to achieve the state’s decarbonization goals that rely on greater electrification of buildings and the transportation sector. Loss of power poses a significant danger to public safety and well-being and is in no way a benign inconvenience. Local governments, for example, operate many critical facilities and provide vital services, including law enforcement facilities, fire stations, jails, emergency dispatch centers, health facilities, cooling centers, water and wastewater treatment and distribution infrastructure, etc. Rural communities often lack the resources necessary to fully mitigate the impacts of electrical outages on critical infrastructure and sensitive populations, especially when those outages impact large numbers of individual and facilities and come frequently without warning.

Undergrounding infrastructure that can better withstand storms, natural disasters and fires will help avoid future service disruptions and provide greater confidence for displaced residents to resettle in their communities. We understand that PG&E’s undergrounding plan for the period covered by the 2023 GRC is ambitious, especially considering the pace of its previous undergrounding efforts. As PG&E finalizes its SB 884 undergrounding plan that lays out its long-term undergrounding strategy, the next few years will be a test case to determine just how deeply the utility can reduce its undergrounding costs on a per-mile basis and increase the miles it can complete annually. We look forward to seeing the full list of projects, as we understand they are based on a comprehensive risk assessment. We hope PG&E will focus on those circuit segments that have the highest wildfire risk and greatest risk of experiencing an EPSS outage. To reduce wildfire risks and substantially improve energy reliability, RCRC hopes that PG&E will be able to rapidly scale up its pace and decrease its undergrounding costs over the next few years as it has promised its customers. We encourage the CPUC to provide PG&E flexibility that allows it to continue and scale up its undergrounding work, assuming it is able to successfully reduce costs and increase the pace of those efforts. If

¹ Since November 8, 2021 and July 11, 2022, PG&E must provide monthly reports to the CPUC’s Safety Enforcement Division (SED) and Energy Safety, respectively. SED has the discretion to augment the report. RCRC is concerned with an overreliance on EPSS as a long-term, primary mitigation measure.

successful, some of PG&E's strategies could subsequently be utilized by other utilities to reduce the per-mile cost ratepayers bear for undergrounding projects.

To significantly reduce wildfire risk and increase energy reliability, we believe that utilities must use all the tools in their toolboxes: vegetation management, reconfiguring infrastructure, installation of covered conductors, and undergrounding of powerlines. As utilities submit their SB 884 undergrounding plans, both the CPUC and Energy will be able to review those individual projects and compare their costs and benefits to other mitigation measures. Undergrounding has the potential to do more than just reduce wildfire risk, as it will help increase overall reliability by reducing the risk of storm and snow related outages, which have been major problems over the last several years. RCRC hopes these will be robust reviews and that regulators will carefully evaluate each segment to determine whether or not it should be undergrounded. For those segments where undergrounding is not appropriate, not feasible, or not cost-effective, RCRC believes it is imperative that covered conductor be deployed to both reduce wildfire risk and reduce the risk and frequency of future EPSS outages. These determinations must be made soon, as our residents and communities cannot continue to indefinitely endure frequent and often lengthy EPSS and PSPS outages.

The CPUC must also ensure that PG&E has adequate funding for its vegetation management efforts and robust oversight of the work performed. We understand PG&E's desire to scale back its enhanced vegetation management efforts as it relies more heavily of EPSS to reduce wildfire risk; however, robust vegetation management must continue in order to reduce the risk of vegetation coming into contact with powerlines and triggering an outage or fire. RCRC and our member counties struggled for years with the public safety risks that poorly-conducted vegetation management practices have on rural communities.

RCRC has worked long and hard with PG&E to ensure that their vegetation management programs would include "wood haul" to remove large diameter felled wood from the customer's premises.² In many cases, felled wood was being left on site, increasing fuel load, impairing access and egress, and compromising carefully constructed defensible space perimeters. In early 2023, PG&E provided RCRC with a verbal pledge to remove all wood that was cut down as a result of its Enhanced Vegetation Management (EVM) Program; however, it has since come to light that EVM was discontinued in late 2022 and replaced with new programs. *It is vital to ensure that wood haul is explicitly and consistently integrated within all utility vegetation management programs. As such, the CPUC must provide PG&E with sufficient resources to ensure that its vegetation management programs continue to offer wood haul to protect communities. While these impacts are felt acutely at the local level, it is a matter of*

² Wood haul is an opt-in process. Property owners that consented to, and opted-into, substantial PG&E tree work under the condition of hauling off large diameter wood and debris should have durable assurances that PG&E will fulfill their wood management obligations—and do so in a timely manner.

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statewide concern as the resulting wildfire risks and suppression costs are borne by all the state's residents and interfere with the state's emission reduction goals.

RCRC's member counties are similarly concerned about maintaining energy affordability. As a result, all of our comments and suggestions to the CPUC and utilities take affordability into consideration. Wildfire risk, declining energy reliability, and poorly executed vegetation management all pose significant safety and economic burdens on our constituents. In many cases, our counties' residents share a disproportionate burden of those risks and costs compared to the average PG&E customer. Our suggestions are intended to mitigate against those risks and cost increases, which many of our residents can ill afford to bear.

RCRC appreciates the opportunity to convey the rural county experience of PG&E's 2023 General Rate Case. If you should have any questions, please do not hesitate to contact me at jkennedy@rcrcnet.org.

Sincerely,

A handwritten signature in blue ink that reads "John Kennedy". The signature is written in a cursive style with a large, looping "J" and "K".

JOHN KENNEDY
Senior Policy Advocate