



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

March 10, 2023

Forest Kaser
Deputy Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Julie Alvis
Acting Deputy Director
Office of Energy Infrastructure Safety
715 P Street, 20th Floor
Sacramento, CA 95814

RE: Senate Bill 884 Workshop, Joint Implementation

Submitted via email SB 884 Notification List (last updated 3/7/23)

Dear Mr. Kaser and Ms. Alvis:

On behalf of the Rural County Representatives of California (RCRC), I am pleased to provide feedback on the Senate Bill 884 Workshop held on February 24, 2023. RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

Senate Bill 884 (Chapter 819, Statutes of 2022) provides an avenue for a large investor-owned utility (IOU) to identify specific distribution segments in Tier 2 and Tier 3 high fire-threat districts (and rebuild areas) it intends to underground in specific timetables over the next ten years along with corresponding data that demonstrates undergrounding as the most cost-effective way to reduce wildfire risk, provide greater energy reliability, *and* reduce costs. SB 884 appropriately sets a high bar for a large IOU to substantiate its desire for monumental capital expenditures. RCRC looks forward to reviewing SB 884 undergrounding plans, given they will specify exact, discreet distribution segments in particular communities that are planned for undergrounding over a longer planning horizon. This is particularly important as there may be opportunities for cross-coordination to implement local dig once policies and co-locate other infrastructure—such as broadband—to maximize safety, resilience, and overall cost efficiency benefits long-term.

RCRC appreciates the California Public Utilities Commission (CPUC) and Office of Energy Infrastructure Safety (Energy Safety) soliciting feedback from interested stakeholders early in the implementation process of SB 884. As such, we offer the following initial observations for joint implementation.

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Regulatory and Approval Process

- While SB 884 specifically states the plan must reduce outages including—but not limited to—Public Safety Power Shutoffs (PSPS) and Enhanced Powerline Safety Settings (EPSS),¹ we note that PG&E has indicated that it will only underground primary (high voltage) distribution lines and leave secondary distribution lines (750 volts or less) in place for wildfire safety undergrounding.² It is not clear at this time whether EPSS or a similar successor program will be enabled on secondary lines that will remain aboveground. PG&E’s plan must include the specific disclosure of instances where secondary lines are left in place aboveground and where the primary distribution line has been undergrounded, including reliability implications. This should include discussions about whether EPSS will be used on the secondary line, the residual risk posed by keeping the secondary line aboveground, planned vegetation management for the remaining secondary distribution line, and what, if any, system hardening will take place on those secondary lines should they continue to pose an ignition risk. In sum, there must be a direct nexus between the safety and reliability of the proposed undergrounded segment with the corresponding (or any remaining) overhead asset. Finally, if a utility’s ten-year undergrounding plan notes that it will underground primary distribution lines while leaving associated secondary lines aboveground, the utility should disclose the construction costs avoided by undergrounding only the primary distribution line.
- A key tenant of Energy Safety’s underlying approval is whether the plan demonstrates both energy reliability improvements and wildfire risk reductions. These plans should include a detailed analysis of the most unreliable circuits in Tier 2 and Tier 3 high fire-threat districts and whether they are proposed for undergrounding or not. Approval of the plan must, overall, weigh whether customers on the most impacted circuits for PSPS/EPSS outages stand to benefit from the IOU’s plan *and* receive priority for undergrounding installation.
- While PUC § 8388.5 (f)(1) requires a progress report be filed by the IOU every six months, this will likely not account for updates needed to the underlying plan over time, such as accounting for updated risk models and assessments. As a result, RCRC urges progress reports to include updated data, such as the most recent predictive risk modeling methods presented in the IOU’s most recent Wildfire Mitigation Plan filing. IOUs should use consistent calculation methods and not “cherry-pick” data that suits them at a specific point in time.

¹ See PUC §8388.5 (d)(2)

² This information was provided in PG&E’s presentation during a Rule 20 (R.17-05-010) workshop held on November 8, 2022. <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M499/K626/499626345.PDF>

Wildfire Risk and Project Assurance

- A plan must detail *quantifiable* strategies to satisfy the plan's proposed costs and cost reductions over time. This should include, at a minimum, risk spend efficiency (RSE) calculations and projected margins of error or other pertinent indicators by each circuit proposed for undergrounding. Given the plans must also include, at a minimum, projected benefits over the life of the asset, plans should detail the process and costs for conducting maintenance and repairs, including oversight and accountability mechanisms of outside contractors (when applicable).
- RCRC agrees with suggestions mentioned by panelists that the plan "track and trace" overhead lines proposed for removal, given those lines are the source of the safety risks. RCRC would add that, in the case of PG&E, this also include any overhead lines being partially left in place, such as purported lower risk secondary lines of 750 volts or less.
- Given these plans span a ten-year period, it is imperative that 6-month progress reports be data-driven documents that will equip an independent monitor to produce a robust analysis. We also urge the independent monitor to conduct field inspections as one method to confirm reported information.

Accountability

- In the event a utility does not correct deficiencies identified by their respective independent monitor, the CPUC should explore how that affects the underlying status of the plan or, in the case of PG&E, if it would trigger the Enhanced Oversight and Enforcement Process pursuant to Commission Decision D.20-05-053 given the nexus to the safety performance of PG&E.³ Penalties must be substantive and effectual to successfully deter non-compliance.
- Regarding workforce development, the plan should detail protocols for consistency amongst contracted labor, along with accountability mechanisms. This should include, for example, on-the-ground oversight of communication practices with customers, as well as quality assurance and quality control of work performed.

³ Step 1, Triggering Event ii: "PG&E fails to comply with, or has shown insufficient progress toward, any of the metrics (i) set forth in its approved wildfire mitigation plan including Public Safety Power Shutoffs (PSPS) protocols, (ii) resulting from its on- going safety culture assessment, (iii) contained within the approved Safety and Operational Metrics, or (iv) related to other specified safety performance goals." [Emphasis added]

Step 2, Triggering Event ii: "PG&E fails to comply with electric reliability performance metrics, including standards to be developed for intentional de-energization events (i.e., PSPS) and any that may be contained within the approved Safety and Operational Metrics." [Emphasis added]

Next Steps

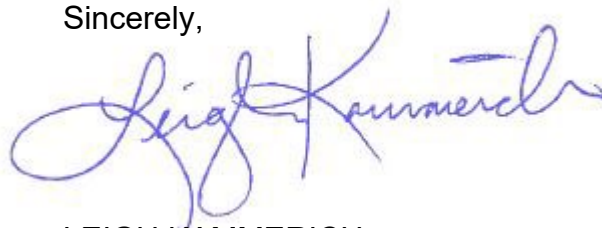
- IOUs must connect the objectives of an approved plan into complementary processes, such as General Rate Case proceedings and Wildfire Mitigation Plans. This will also provide an added benefit for parties and stakeholders alike to provide feedback in a public process on an ongoing basis.

RCRC would additionally like to point out that SB 884 undergrounding plans should in no way be treated by an IOU as an aspirational document or an otherwise unactionable plan with aggregated information. These ten-year plans should be a detailed blueprint by circuit with supporting evidence and data subject to robust review and analysis on an ongoing basis to ensure it serves the public's interest.

Finally, while we recognize the wildfire risk reduction focus on many undergrounding efforts, we cannot overstate the importance of energy reliability as the State continues to mandate building and vehicle electrification to achieve its air quality goals, as well as serve disadvantaged and vulnerable populations. It is imperative that discreet outages, such as those utilized by IOUs through PSPS and EPSS, be eliminated over time as investments to safeguard infrastructure are deployed. While undergrounding is *one* option to reduce risk (and an even more important option where it provides greater and more durable benefits than alternatives), it is essential for IOUs to execute it in a way that will holistically provide energy reliability, and be achieved in a safe, affordable manner. Nothing in SB 884 compels Energy Safety or the CPUC to approve such an ambitious plan. Should IOUs pursue expensive capital investment projects with limited benefits to customers, it will chill greater electrification objectives that are the backbone of the State's Scoping Plan.

Thank you for your consideration of our comments. Should you have any questions, please do not hesitate to contact me at lkammerich@rcrcnet.org.

Sincerely,



LEIGH KAMMERICH
Policy Advocate

cc: The Honorable Mike McGuire, Member of the California State Senate