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Northern California

785 Market Street, Suite 1400  
San Francisco, CA 94103

415 929-8876 • [www.turn.org](http://www.turn.org)

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## **TURN Comments on RCA Workshop**

The Utility Reform Network (TURN) appreciates the opportunity to provide feedback to the California Public Utilities Commission (CPUC or Commission) Safety Policy Division (SPD) on the preliminary proposed corrective actions. At this time, TURN provides general comments on the proposals and looks forward to working with SPD as the proposals are further developed and deployed.

In I.19-06-015, the investigation into the 2017 and 2018 wildfires, the Commission adopted a Settlement agreed to by PG&E and Safety and Enforcement Division including a variety of corrective actions and a budget for their completion. Included among the corrective actions was the completion of a Root Cause Analysis (RCA) of the wildfires, which was ultimately completed by Envista Forensics and presented at the December 5, 2022 workshop. Alongside the RCA, the settlement adopted a budget for additional corrective actions.

In response to the Envista Forensics RCA, SPD has laid out three preliminary proposals for using the available budget:

- Further investigation of three-wire and four-wire distribution systems as well as other distribution system alternatives;
- Verification of PG&E's Risk-based Decision-making Framework (RDF); and
- Data collection improvements.

SPD has presented three areas where additional attention is needed and the outcomes of the proposed projects will benefit not just PG&E ratepayers but stakeholders across the state.

### **Technical Review of Three and Four Wire Distribution Systems**

The first proposal, an in-depth analysis and comparison of three-wire and four-wire systems and their alternatives consistent with System Enhancement 20 adopted in D.20-05-019, is an opportunity for the Commission to gain a better understanding of the wildfire mitigation alternatives, their benefits and their drawbacks. The Commission should accelerate the completion of this study and devote additional budget to the study to ensure that the final report is comprehensive and a helpful guide for future utility decision-making. Given PG&E's aggressive proposal to underground its distribution lines beginning in 2023, this study should be completed as soon as possible to inform the Commission's consideration of PG&E's undergrounding proposal.

In TURN's experience, each of the utilities define their distribution system and potential upgrades somewhat differently. The proposed literature review and testing will create an opportunity for the Commission to better understand the components of system hardening and the range of costs for each of the components. By breaking out the individual components, the Commission will better enable parties to compare the hardening plans and outcomes of each utility against one another.

TURN also stresses the importance of comparing overhead distribution system alternatives with undergrounding. The goal for this additional literature review and field testing should include information on costs and mitigation potential that can be used by the different utilities as inputs into the RDF for each. TURN's testimony and brief in the PG&E GRC (A.21-06-021) includes a comprehensive consideration of undergrounding and covered conductor and a proposal for each considering the trade-offs in terms of wildfire safety and cost.

TURN notes that Envista highlighted that in the case of the Adobe fire, PG&E had a 1960s vintage of covered conductor, or tree wire, installed. A point of consideration should be how hardening technology has changed, a comparison of different types of hardening, and an indication of what vintage hardening technology has been used across PG&E's system. This information will assist in the determination of whether and how soon different spans of conductor may require replacement.

Further, the technical review should include an evaluation of discrete technology improvements, including system protection and the use of the Rapid Earth Fault Current Limiter (REFCL) technologies, that can be made to currently installed systems to provide additional safety pending installation of a more comprehensive mitigation.

### **Risk Based Decision-Making Framework Review**

The second proposed corrective action is an in-depth review of PG&E's Risk-based Decision-making Framework to test the models PG&E uses for that important work. TURN supports an independent verification of PG&E's models and a more in-depth analysis of how different changes impact the outcomes of the models. PG&E, and the other California utilities, benefit to the extent the models have a "black box" quality and, accordingly, the utilities are not incentivized to bring sunshine to this process. The SPD proposed corrective action can shine a light on the models and how well they serve the public interest. A comprehensive examination of the models will test the limits of what RDF can do and identify weakness of PG&E's models.

During the consideration of A.15-05-002, the first Safety Model Assessment Proceeding (SMAP), TURN completed a test drive of the Joint Intervenor's Approach to risk assessment. That experience demonstrated that it is possible to have a third party build and test a model for utility risk-based decision-making, but it also demonstrated that, in order for those tests to be successful, full cooperation and participation of the utility is necessary. Regardless of the form that the final corrective action takes, the Commission should put its full support behind the efforts of SPD to hold PG&E accountable for any failure to participate in good faith. The Commission should identify consequences for non-compliance in advance of initiating the review.

TURN further cautions that an important question is who carries out the review of PG&E's model. For this important effort, the Commission must identify a neutral third party who has not previously been paid by an investor-owned utility for participation in a Commission proceeding.

In addition to the validations proposed by SPD, TURN recommends that the review identify whether the utility has integrated constraints, notably budget constraints, in its RDF, and, if not, how it can do so. So far, there has been no real integration of affordability or budget constraints into utility decision-making; these models, however, should be able to identify the optimal mix of mitigations that the utility can execute for different budgets. Exploring how this constraint can be utilized in identifying the optimal mix of mitigations will also serve to inform not only the Risk Assessment and Mitigation Phase analysis of risks but will help the utility justify rate increases in the General Rate Case.

By independently verifying the model and its results, SPD will also be able to identify the extent to which the utility, and its inputs, can drive modeling results. This can also identify those inputs that are most important to identify with certainty. This will provide helpful guidance to the Commission as to where future improvements to RDF are most needed.

### **Data Collection**

The final SPD proposal is the development of improved data collection practices. TURN agrees with this focus. Key to a successful RDF is useful and accurate inputs. TURN recommends a complete audit and development of proposed improvements for PG&E's data collection and data management practices.

Records retention and management has been an issue for PG&E since the San Bruno incident, and it continues to be the case that PG&E's records management is insufficient. The Office of Energy Infrastructure Safety concluded in its Draft Annual Report on Compliance for PG&E's 2020 WMP, "PG&E failed to properly manage its data in a manner that provided for effective implementation of those initiatives." (OEIS, Draft Annual Report on Compliance, p. 89).

### **Additional Time for Stakeholder Feedback**

Finally, TURN respectfully requests additional time for comment on future workshops and proposals. Given constrained resources and competing Commission proceedings, at least 20 business days is required to be able to provide thoughtful feedback on the proposals.

Prepared by:

Katy Morsony, Staff Attorney, TURN