

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



Date July 17, 2020

Subject: Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002

This statement issues guidance on the Wildfire Safety Division (WSD) review and disposition of the electrical corporations' Remedial Compliance Plans and Quarterly Reports, as set forth in Resolution WSD-002, including guidance on public comment.

Background

The 2020 Wildfire Mitigation Plan (WMP) Resolutions¹ set forth the Wildfire Safety Division's (WSD)'s disposition of electrical corporation's 2020 WMPs. The WSD evaluated electrical corporations' 2020 WMPs according to the following factors:

- **Completeness:** The WMP is complete and comprehensively responds to the WMP requirements;
- **Technical feasibility and effectiveness:** Initiatives proposed in the WMP are technically feasible and are effective in addressing the risks that exist in the utility's territory;
- **Resource use efficiency:** Initiatives are an efficient use of utility resources;
- **Forward looking growth:** The utility is targeting maturity growth.

Upon review of electrical corporations' 2020 WMPs, the WSD identified a number of elements that were missing or inadequate in the 2020 WMPs. Each of these issues was identified as a "Deficiency," and a corresponding "Condition" was imposed on the electrical corporation intended to remedy the identified deficiency. Each deficiency and condition pair was categorized into one of the following classifications, with Class A being the most serious:

- **Class A** – Aspects of the WMP are lacking or flawed;
- **Class B** – Insufficient detail or justification provided in WMP; and
- **Class C** – Gaps in baseline or historical data, as required in 2020 WMP Guidelines.

Consequently, the WSD issued a "Conditional Approval" to the following electrical corporations: Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), PacifiCorp, and Liberty Utilities.² The Conditional Approval is predicated on the aforementioned electrical corporations satisfying a set of conditions, as set forth in Resolution WSD-002 and the electrical corporation's respective WMP Resolution. Each

¹ 2020 WMP Resolutions refer to Resolutions WSD-002 through WSD-009. See www.cpuc.ca.gov/wildfiremitigationplans for final resolutions

² On June 9, 2020, the WSD issued a notice of extension to the deadline to review and act upon Bear Valley Electric Service, Inc.'s (BVES) pursuant to Pub. Util. Code. 8389.3(a) as a result of errata submitted by BVES on May 22, 2020.

SUBJECT: Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002

July 17, 2020

Page 2

condition is responsive to a deficiency found by the WSD in its review of each electrical corporation's 2020 WMP.

Table 1, below, presents a summary of the number of conditions by classification for each electrical corporation issued a Conditional Approval. It should be noted that the conditions in Resolution WSD-002 apply to all electrical corporations that were issued a Conditional Approval by the WSD.

Table 1 2020 WMP Resolutions - Conditions Summary

Condition	WSD-002	PG&E	SCE	SDG&E	Liberty	PacifiCorp	Total
Class A	1	7	3	1	0	0	12
Class B ³	10 (1)	20 (3)	18 (3)	14 (0)	4 (1)	5 (0)	71 (8)
Class C	1	2	1	1	1	2	8
Total	12	29	22	16	5	7	91

Remedial Compliance Plan and Quarterly Report Review Process

Class A Conditions

Class A conditions are intended to address aspects of electrical corporations' 2020 WMPs that the WSD found lacking or flawed that were of highest concern. Class A conditions require the filing of a Remedial Compliance Plan (RCP), which is broadly defined in Resolution WSD-002 as follows:

An RCP must present all missing information and/or articulate the electrical corporation's plan, including proposed timeline, to bring the electrical corporation's WMP into compliance. RCPs shall be named "[Name]'s 2020 Wildfire Mitigation Plan Remedial Compliance Plan."

Pursuant to Ordering Paragraph (OP) 7 of Resolution WSD-002, PG&E, SCE, SDG&E, PacifiCorp, and Liberty Utilities must submit an RCP within 45 days of Commission ratification of its 2020 WMP Resolution. The Commission ratified the 2020 WMP Resolutions on Thursday, June 11, 2020; therefore, electrical corporations are required to file an RCP by Monday July 27, 2020.

Class B Conditions

Class B conditions are intended to address aspects of electrical corporations' 2020 WMPs that the WSD determined provided insufficient detail, justification, or merited additional ongoing monitoring. Class B conditions require the filing of a Quarterly Report (QR), which is intended to provide the missing information or an update on progress, as specified in the condition. Some

³ Values in parenthesis indicate the number of Class B deficiency and condition pairs that require ongoing reporting. All other Class B deficiency and condition pairs will be addressed in the electrical corporations' first quarterly report submission.

SUBJECT: Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002

July 17, 2020

Page 3

conditions require an electrical corporation to only provide the specified information in its first QR; thus, those conditions will not be required in future QR submissions unless directed by the WSD. The QRs shall be named “[Name]’s Quarterly Report on 2020 Wildfire Mitigation Plan for [period covered].⁴”

Pursuant to OP 7 of Resolution WSD-002, PG&E, SCE, SDG&E, PacifiCorp, and Liberty Utilities must submit the first QRs 90 days after Commission ratification of its 2020 WMP Resolution, and every three months thereafter. The Commission ratified the 2020 WMP Resolutions on Thursday June 11, 2020. Thus, electrical corporations required to file QRs must do so in accordance with the schedule set forth in Table 2 below. The WSD will set forth a process at a later date for the submission of the ongoing information required in Condition Guidance-10, which requires submission of data to the WSD.

Table 2 Class B QR Schedule

QR Sequence	Due Date
First	September 9, 2020
Second	December 9, 2020
Third	March 9, 2021
Fourth	June 9, 2021

Class C Conditions

Class C conditions are intended to address gaps in baseline or historical data or information, as required in the 2020 WMP Guidelines. Class C conditions require the electrical corporation to submit additional detail and information or otherwise come into compliance in its 2021 WMP Update. Since the WSD will be issuing separate guidance on the 2021 WMP Update process, this document does not address the review and evaluation of Class C conditions.

Evaluation Process

This section outlines the process that the WSD will implement to evaluate electrical corporations’ RCPs and QRs.

Class A Conditions - RCPs

An RCPs fundamental intent is to present a plan to resolve the deficiency identified with the level of specificity, detail, and scope outlined in the respective condition. Accordingly, the WSD must determine whether an electrical corporation’s RCP filing sufficiently resolves the deficiency and meets the intent of the condition. To make this determination, the WSD looks to Resolution WSD-002 and the factors used to evaluate 2020 WMPs. While all four factors used in

⁴ Resolution WSD-002 at p. 18.

SUBJECT: Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002

July 17, 2020

Page 4

evaluating WMP approval are not applicable⁵, the WSD will evaluate the sufficiency of an electrical corporation's RCP filing in accordance with the following factors:

- **Completeness** – The RCP is complete and comprehensively responds to the condition;
- **Effectiveness** – The plans and remedies outlined in the RCP will reasonably resolve the deficiency;
- **Feasibility** – The plans and remedies outlined in the RCP are reasonably feasible considering the electrical corporation's resources and the scope and timeline identified.

Outlined in Table 3 below are the approval criteria the WSD will use to evaluate whether an RCP filing is sufficient. Upon review of an electrical corporation's RCP, the WSD will issue one of the following determinations:

- **Sufficient** – The RCP is sufficient and no further action is required⁶;
- **Insufficient** – The RCP is insufficient. The WSD may issue further guidance concurrent with a finding of insufficiency.

If the WSD's review of an RCP finds that any of the review criteria are not met, the RCP will be deemed "Insufficient." Prior to making a finding of insufficiency, the WSD may ask for additional clarification or information from the electrical corporation. If an electrical corporation's RCP is deemed "Insufficient," the WSD may recommend that the Commission take further action.

⁵ Forward-looking growth is not applicable to assessing sufficiency of RCPs because the RCP, by its nature, is intended to address a current plan of action to for lacking or flawed aspects of its 2020 WMP and does not require an assessment of maturity growth.

⁶ The WSD's Compliance Branch will include RCP actions into its inspection plans to ensure successful completion of RCP actions.

Table 3 RCP Approval Criteria

Category	Criteria	Yes	No
Completeness	<ul style="list-style-type: none"> Does the RCP provide all the information identified in the condition? 		
	<ul style="list-style-type: none"> If not, does the utility provide an explanation of why the RCP is incomplete and a timeline for when the completed information will be provided? 		
	<ul style="list-style-type: none"> Does the RCP include a timeline for implementation and completion of remedial actions? 		
Effectiveness	<ul style="list-style-type: none"> Does the RCP identify reasonably effective plans and remedies to resolve the identified deficiencies? 		
	<ul style="list-style-type: none"> Is the timeline identified in the RCP sufficient, given the importance of the deficiency and its potential impact on wildfire risk? 		
Feasibility	<ul style="list-style-type: none"> Does the utility reasonably have the resources required to execute the plans and remedies in its RCP in accordance with the identified scope and timeline? 		

Class B Conditions - QRs

A QR’s fundamental intent is to resolve the deficiency identified with the level of specificity, detail, and scope outlined in the respective condition. Accordingly, the WSD must determine whether an electrical corporation’s QR filing sufficiently resolves the deficiency and meets the intent of the condition. To make this determination, the WSD looks to WSD-002 and the factors used to evaluate 2020 WMPs. While all four factors used in evaluating WMP approval are not applicable⁷, the WSD will evaluate the sufficiency of an electrical corporation’s QR filing in accordance with the following factors:

- **Completeness** – The QR is complete and comprehensively responds to the condition;
- **Effectiveness** – The information provided in the QR reasonably resolves the deficiency.

Outlined in Table 4 below are the approval criteria the WSD will use to evaluate whether a QR filing is sufficient. Upon review of an electrical corporation’s QR, the WSD will determine whether the QR filing is:

- **Sufficient** – The QR is sufficient and no additional action is required⁸⁹;

⁷ Feasibility and forward-looking growth are not applicable to assessing sufficiency of QRs because the QR is simply intended to provide additional information on existing efforts detailed in the 2020 WMP.

⁸ As noted previously, some Class B conditions require ongoing QRs and the WSD’s determination of a “Sufficient” QR filing does not relieve an electrical corporation of any requirement for ongoing reporting.

⁹ To the extent applicable, the WSD’s Compliance branch will include RCP actions into its inspection plans to ensure successful completion of RCP actions.

SUBJECT: Guidance on the Remedial Compliance Plan & Quarterly Report Process Set Forth in Resolution WSD-002

July 17, 2020

Page 6

- **Insufficient** – The QR is insufficient. The WSD may issue further guidance concurrent with a finding of insufficiency.

The WSD will strive to issue its determination of the electrical corporation's QR prior to the submittal of the subsequent QR. The WSD may ask for additional information or clarifications during its review of QR submissions. If a QR is determined to be "Insufficient," the electrical corporation will be required to include supplementary documentation and clarifications, as provided by WSD guidance, in its subsequent QR. Repeated determinations of insufficiency will require the electrical corporation to remedy the issue in the 2021 WMP Update, and the WSD may recommend that the Commission take further action.

Table 4 QR Approval Criteria

Category	Criteria	Yes	No
Completeness	• Does the QR provide all the information identified in the condition?		
	• If not, does the utility provide an explanation of why the QR is incomplete and a timeline for when the completed information will be provided?		
Effectiveness	• Does the QR identify reasonably effective plans and remedies to resolve the identified deficiencies?		

Public Comment Process

Stakeholders are invited to submit comments on the electrical corporations' RCPs and QR submissions. RCPs and QRs will be posted at www.cpuc.ca.gov/wildfiremitigationplans under each respective electrical corporation.

Stakeholder comments shall not exceed 10 pages and are due within 14 days of submission of an RCP or QR to the following email address: wildfiresafetydivision@cpuc.ca.gov. Comments must also be served on the service list to Rulemaking (R.) 18-10-007, pursuant to the direction in Resolution WSD-001.

Electrical Corporations may submit reply comments, which shall not exceed 5 pages, within 7 days from the due date for stakeholder comments to wildfiresafetydivision@cpuc.ca.gov. Reply comments must also be served on the service list to R.18-10-007.

Sincerely,



Caroline Thomas Jacobs
Director, Wildfire Safety Division
California Public Utilities Commission