

Southern California Edison

WSD-011 – Resolution implementing the requirements of Public Utilities Code Sections 8389(d)(1), (2) and (4) related to catastrophic wildfire caused by electrical corporations subject to the Commission’s regulatory authority

DATA REQUEST SET W S D - S C E - 0 0 4

To: WSD

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Question 021:

In its response to Data Request 003, SCE provided excel Table “WSD-SCE-003-002_20210309” in which spending is categorized in Column “V” as “WMP activities” and “Non-WMP programs.”

21(a). Define “WMP activities”

21(b). Define “Non-WMP programs”

21(c). What is SCE’s criteria to differentiate the two types of spending categories?

21(d). Is anything otherwise determining the difference in those two types of spending categories?

21(e). Why are certain initiative activities marked as “new” (column P) and also marked as a “non-WMP” (column V)?

Response to Question 021:

- a) SCE considers WMP activities to be activities which are initiated to primarily address wildfire risks and/or PSPS impacts. Most of these have specific program targets and are included in Table 5.3-1 on pp. 104-127 of SCE’s 2021 WMP Update and in the reconciliation Excel file titled “WSD-SCE-003-002_20210309” that was submitted as an attachment to SCE’s response to WSD-011_WSD-003 Q.002.
- b) SCE considers Non-WMP programs to be programs which are not initiated to primarily address wildfire risks and/or PSPS impacts. These programs are implemented for purposes primarily outside of wildfire / PSPS impact mitigation (e.g., for reliability), though they may provide indirect wildfire / PSPS impact mitigation benefits. Therefore, these programs would continue even if wildfire and/or PSPS risk did not exist. These programs can also include work we are doing as part of standard operations. Discussion on these programs were included in SCE’s 2021 WMP Update because the WSD’s 2021 WMP Guidelines require this information.

Notably, in some cases, the primary intent of a program – specifically within SCE’s High Fire Risk Areas (HFRA) – can evolve or expand over time. For example, traditional compliance-driven vegetation management activities have been modified to go beyond regulatory requirements (e.g., CPUC recommended clearance distances in HFRA) to address wildfire risks associated with vegetation. In cases where the activity goes beyond regulatory requirements, SCE considers that wildfire/PSPS-driven portion to be a wildfire activity. In some instances, it is infeasible to separate out the “compliance-driven” or “standard operation” work from the

wildfire/PSPS-driven “expanded” work (e.g., vegetation clearances in HFRA and High Fire Risk Informed Inspections), in which SCE considers the full activity in HFRA to be a WMP activity.

- c) SCE considers the intended purpose and drivers of each program when determining whether it qualifies as a WMP activity or not. If the program was designed to primarily address wildfire/PSPS risks, then SCE classifies it as a WMP activity. For example, SCE identified new wildfire-driven activities in 2018 as part of SCE’s Grid Safety & Resiliency Program (GSRP) Application that were specifically initiated to address wildfire risk. Then, in subsequent WMPs, SCE proposed several additional new WMP activities to specifically address wildfire/PSPS risk. These would all be considered “WMP Activities.” This is contrary to established programs that have been approved by the CPUC for purposes outside of wildfire and PSPS impact mitigations. For example, SCE’s Pole Loading Program (PLP) is primarily a compliance program and not one primarily driven by wildfire risk reduction or one of SCE’s wildfire mitigation initiatives. While PLP improves safety and reliability, which may include avoiding potential wildfire risks associated with pole failures, PLP is not primarily driven by wildfire mitigation, and is therefore considered a non-WMP program. The general criteria SCE used for the 2021 WMP Update is as follows:
- An activity initiated to primarily address wildfire risks and/or PSPS impacts and should be wholly or largely contained to the HFRA
 - The expansion/modification of an activity for which the expansion/modification was initiated to primarily address wildfire risks and/or PSPS impacts and should be wholly or largely contained to the HFRA
 - Should an existing activity be expanded/modified for which the expansion/modification was initiated to primarily address wildfire risks and/or PSPS impacts and where it is infeasible to separate the normal or compliance work from the expanded/modified work, the entire activity is considered a wildfire activity but only in or largely in the HFRA
- d) Yes, in previous WMPs, SCE considered other factors such as costs, cost recovery mechanisms, CPUC programs outside of the WMP, and level of scope definition in determining a Wildfire versus non-Wildfire Activity (See SCE’s response to part e) below for examples). For the 2021 WMP Update, SCE updated how it assesses a wildfire versus a non-wildfire initiative.
- e) In 2020, SCE may have misinterpreted the New/Existing category and/or marked them in error during the compressed timeline to meet the WSD’s new and comprehensive 2020 WMP requirements. At the time, SCE had to make some simplifying assumptions and largely followed the cost recovery mechanism for determining what was new or existing. For example, if the program was included in the 2018 GRC it was marked as existing. Likewise, if the program was identified for a new memorandum account treatment, it was marked as new. In several instances and as noted in the comments field, if a “new” category was embedded in another

category, it was identified as non-WMP, and the activity it was included in was marked accordingly. The comments column provides the supporting documentation for these determinations. The majority of Initiative Activities marked as new, but non-WMP, were activities that had no cost forecast in SCE's 2020 WMP and thus were not included as WMP Initiatives. There were four activities that did have costs but were excluded in SCE's 2020 WMP forecast for the following reasons: (1) Improvement of Inspections was not included as the costs represent efforts beyond those in SCE's WMP; (2) SGIP Resiliency was excluded as it was being funded through a separate mechanism (*See* D.20-01-021); (3) Centralized repository for data was not included as this was a preliminary estimate and SCE had not defined the requirements specific to wildfire-related needs, however the component related to wildfire is included in SCE's 2021 Update; and (4) The DRI program was excluded in 2020 as it was being funded out of SCE's Catastrophic Event Memo Account (CEMA) in 2020. For the 2021 WMP Update, SCE made updates to its assessment of WMP vs non-WMP initiatives from its 2020 WMP. For example, although DRI was being recovered through SCE's CEMA, this initiative, initiated in 2014 as a result of CPUC Resolution ESRB-4, primarily focuses on reducing the likelihood of wildfires. Because this initiative was (and still is) primarily focused on reducing wildfire risk, SCE determined that DRI should be a wildfire initiative and made this change in its 2021 WMP Update.