



September 18, 2020

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Re: BVES First Quarterly Report on 2020 Wildfire Mitigation Plan

Background

On August 26, 2020, the Wildfire Safety Division (“WSD”) issued a Final Action Statement (“Final Action Statement”) with respect to Bear Valley Electric Service, Inc. (“BVES” or “Bear Valley”) 2020 Wildfire Mitigation Plan submitted on February 7, 2020, amended initially on March 6, 2020 and again on May 22, 2022 (“Prior WMP”). In the Action Statement, the WSD denied the Prior WMP and required BVES to file a new WMP (“New WMP”) no later than 60 days from the date of the Action Statement. In addition, WSD strongly urged BVES to also address Class A and Class B deficiencies which WSD found in the draft Action Statement dated July 22, 2020, draft Resolution WSD-006 and Resolution WSD-002.

WSD-002 provides requirements for all electrical corporations named therein, including BVES.¹ It provides, among other thing, a discussion of common deficiencies found across all WMPs, and a discussion of post-WMP reporting.² WSD-002 identifies three classes of deficiencies: Class A – aspects of the WMP that 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. Class A deficiencies are of the highest concern to the Commission, and utilities are required to address them in a remedial compliance plan (“RCP”). Class B deficiencies are of moderate concern and require reporting on a quarterly basis to provide missing data or update its progress. Class C deficiencies are to be addressed in a 2021 WMP.

Draft Resolution WSD-010, which was withdrawn, strongly urged BVES to address Class A and Class B deficiencies that the WSD had identified in the draft Action Statement, draft Resolution WSD-006 and Resolution WSD-002. It further stated:

¹ WSD-002 at p. 1.

² Id. at p. 1 following Table of Contents.

To address Class A and B deficiencies, BVES should include submission of a Remedial Compliance Plan along with its new WMP as well as information required in the first Quarterly Report.³

Although the directive to address Class A and Class B deficiencies that the WSD had identified in the draft Action Statement, draft Resolution WSD-006 and Resolution WSD -002 was retained in the Final Action Statement, the manner in which BVES was to address those deficiencies was not specifically addressed in the Final Action Statement.

Class A, B and C Deficiencies are intended to address issues of a WMP that has been reviewed and approved by the WSD. Although Bear Valley's Prior WMP was denied, the deficiencies identified in Resolution WSD-002 and draft Resolution WSD-006 nevertheless exist as a result of WSD's review of Bear Valley's Prior WMP.

Purpose and Scope of this Quarterly Report

Bear Valley has addressed in its New WMP the deficiencies identified by WSD in its Draft Action Statement, draft Resolution WSD-006 and Resolution WSD-002. Out of an abundance of caution, BVES is also filing, concurrently with the filing of its New WMP, this Quarterly Report in accordance with Resolution WSD--002, which requires Class B deficiencies to be addressed in a Quarterly Report. However, this Quarterly Report will first briefly describe the Class B deficiency declared by WSD and then provide a cross reference to where in the New WMP Bear Valley's response to such Class B deficiency can be found. In effect, this Quarterly Report will provide a "road map" of where in the New WMP Bear Valley's response to a Class B deficiency may be found.

Resolution WSD-002 Class B Deficiencies

Deficiency Guidance-1-Lack of Risk Spend Efficiency (RSE) Information. 2020 WMP submissions contain sparse and sporadic detail regarding the RSE of WMP initiatives.

Condition – (Guidance – 1): In its first quarterly report, each electrical corporation shall provide the following:

- i. its calculated reduction in ignition risk for each initiative in its 2020 WMP;
- ii. its calculated reduction in wildfire consequence risk for each initiative in its 2020 WMP; and
- iii. the risk models used to calculate (i) and (ii) above.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.1 Guidance -1: Lack of Risk Spend Efficiency (RSE) Information.

Deficiency Guidance -2 – Lack of Alternatives Analysis for Chosen Initiatives. 2020 WMP submissions contain little to no detail regarding utilities' process for comparing potential WMP initiatives.

³ Draft WSD-010 at pp.1-2.

Condition – (Guidance-2): In its first quarterly report, each electrical corporation shall provide the following:

- i. all alternatives considered for each grid hardening or vegetation management initiative in its 2020 WMP;
- ii. all tools, models, and other resources used to compare alternative initiatives;
- iii. how it quantified and determined the risk reduction benefits of each initiative; and
- iv. why it chose to implement each initiative over alternative options.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.2 Guidance -2: Lack of Alternative Analysis for Chosen Initiatives. Deficiency Guidance-4 – Lack of Discussion on PSPS Impacts. Across 2020 WMP submissions, utilities indicate goals of reducing the scope, frequency and duration of PSPS events but also indicate intentions of continuing to implement PSPS as a wildfire mitigation measure in the immediate future. Specifically, no 2020 WMPs discuss the relationship between various grid hardening, vegetation management, and asset management initiatives and the corresponding impacts on thresholds for initiating PSPS events.

Condition (Guidance 4): In its first quarterly report, each electrical corporation shall detail whether and how each initiative in its WMP:

- i. affects its threshold values for initiating PSPS events;
- ii. is expected to reduce the frequency (i.e. number of events) of PSPS events;
- iii. is expected to reduce the scope (i.e. number of customers impacted) of PSPS events;
- iv. is expected to reduce the duration of PSPS events; and
- v. supports its directional vision for necessity of PSPS, as outlined in Section 4.4 of its WMP.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.4 Guidance -4: Lack of Discussion on PSPS Impacts.

Deficiency Guidance-5- Aggregation of Initiatives into Programs. In their 2020 WMP submissions, electrical corporations often combine various initiatives into broader programs and report cost, risk and other related data at the program level.

Condition (Guidance-5): In its first quarterly report, each electrical corporation shall:

- i. break out its programs outlined in section 5.3 into individual initiatives;
- ii. report its spend on each individual initiative;
- iii. describe the effectiveness of each initiative at reducing ignition probability or wildfire consequence;
- iv. list all data and metrics used to evaluate effectiveness described in (iii), including the threshold values used to differentiate between effective and ineffective initiatives; and

- v. provide the information required for each initiative in section 5.3 of the Guidelines.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.5 Guidance – 5: Aggregation of Initiatives into Programs.

Deficiency Guidance-6 – Failure to Disaggregate WMP Initiatives from Standard Operations.
While WMPs are designed to outline and detail filer’s plans and initiatives for mitigating wildfire risk, many existing programs also provide wildfire risk reduction benefits. Consequently, it is difficult to determine whether and how these programs incrementally impact wildfire risk reduction or if related WMP initiatives are redundant and unnecessary.

Condition (Guidance-6): In its first quarterly report, each electrical corporation shall:

- i. clearly identify each initiative in Section 5.3 of its WMP as “Standard Operations” or “Augmented Wildfire Operations;”
- ii. report WMP required data for all Standard Operations and Augmented Wildfire Operations; and
- iii. confirm that it is budgeting and accounting for WMP activity of each initiative; and include a “ledger” of all subaccounts that show a breakdown by initiative.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.6 Guidance -6: Failure to Disaggregate WMP Initiatives from Standard Operations.

Deficiency Guidance-7 -- Lack of Detail on Effectiveness of “Enhanced” Inspection Programs.
Utilities engage in numerous ‘enhanced’ inspection programs, but it is unclear if such ‘enhanced’ programs are incrementally effective over routine patrol and detailed inspections, particularly if patrol and detail inspections are scheduled based on risk rather than GO 95 minimums.

Condition (Guidance-7): In its first quarterly report, each electrical corporation shall detail:

- i. the incremental quantifiable risk identified by such ‘enhanced’ inspection programs;
- ii. whether it addresses the findings uncovered by ‘enhanced’ programs differently than findings discovered through existing inspections; and
- iii. a detailed cost-benefit analysis of combining elements of such ‘enhanced’ inspections into existing inspection programs.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.7 Guidance -7: Lack of Detail on Effectiveness of “Enhanced” Inspection Programs.

Deficiency Guidance-9 – Insufficient Discussion of Pilot Programs. Electrical corporations do not describe how they will evaluate and expand the use of successfully piloted technology or which piloted technology has proven ineffective. To ensure pilots that are successful result in expansion, if warranted and justified with quantitative data, electrical corporations must evaluate each pilot or demonstration and describe how it will expand use of successful pilots.

Condition (Guidance-9): In its quarterly report, each electrical corporation shall detail:

- i. all pilot programs or demonstrations identified in its WMP;
- ii. status of the pilot, including where pilots have been initiated and whether the pilot is progressing toward broader adoption;
- iii. results of the pilot, including quantitative performance metrics and quantitative risk reduction benefits;
- iv. how the electrical corporation remedies ignitions or faults revealed during the pilot on a schedule that promptly mitigates the risk of such ignition or fault, and incorporates such mitigation into its operational practices; and
- v. a proposal for how to expand use of the technology if it reduces ignition risk materially.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.9 Guidance -9: Insufficient Discussion of Pilot Programs.

Deficiency Guidance-10 – Data Issues – General. Although the availability of data, including GIS data, provides unprecedented insight into utility infrastructure and operations, inconsistencies and gaps in the data present a number of challenges and hurdles.

Condition (Guidance-10): Electrical corporations shall ensure that all future data submissions to the WSD adhere to the forthcoming data taxonomy and schema currently being developed by the WSD. Additionally, each electrical corporation shall file a quarterly report detailing:

- i. locations where grid hardening, vegetation management, and asset inspections were completed over the prior reporting period, clearly identifying each initiative and supported with GIS data,
- ii. the type of hardening, vegetation management and asset inspection work done, and the number of circuit miles covered, supported with GIS data
- iii. the analysis that led it to target that specific area and hardening, vegetation management or asset inspection initiative, and
- iv. hardening, vegetation management, and asset inspection work scheduled for the following reporting period, with the detail in (i) – (iii).

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.10 Guidance -10: Data Issues – General.

Deficiency Guidance-11 – Lack of Detail on Plans to Address Personnel Shortages. Electrical corporations do not explain in detail the range of activities that they are undertaking to recruit and train personnel to grow the overall pool of talent in areas of personnel shortage.

Condition (Guidance-11): In its first quarterly report, each electrical corporation shall detail:

- i. a listing and description of its programs for recruitment and training of personnel, including for vegetation management;
- ii. a description of its strategy for direct recruiting and indirect recruiting via contractors and subcontractors; and
- iii. its metrics to track the effectiveness of its recruiting programs, including metrics to track the percentage of recruits that are newly trained, percentage from out of state, and the percentage that were working for another California utility immediately prior to being hired.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.11 Guidance -11: Lack of Detail on Plans to Address Personnel Shortages.

Deficiency Guidance-12 – Lack of Detail on Long-Term Planning. Electrical corporations do not provide sufficient detail regarding long-term wildfire mitigation plans and how the initiatives in their WMPs align with and support those long-term plans.

Condition (Guidance-12): In their first quarterly report, each electrical corporations shall detail:

- i. its expected state of wildfire mitigation in 10 years, including 1) a description of wildfire mitigation capabilities in 10 years, 2) a description of its grid architecture, lines, and equipment;
- ii. a year-by-year timeline for reaching these goals;
- iii. a list of activities that will be required to achieve this end goal; and
- iv. a description of how the electrical corporation’s three-year WMP is a step on the way to this 10-year goal.

BVES Response: See Appendix C – Deficiencies and Conditions Applicable to All Electric Corporations – 1.12 Guidance -12: Lack of Detail on Long-Term Planning.

Resolution WSD-006 Class B Deficiencies

Deficiency (BVES-1, Class B): Focus on grid hardening. BVES is focused almost entirely on grid hardening without much analysis of whether this is the most cost effective and efficacious approach. Without a stated long-term vision, it is not possible to assess why BVES has this singular focus. BVES does provide RSE estimates for a significant number of initiatives and provides a high-level comparative analysis in Figures 3-4 and 3-5 of its WMP. However, BVES reports that “Underground of the Ute line” has a wildfire RSE of 0.13 in Figure 3-4 and that the same initiative has a PSPS RSE of 0.3. It is not clear how BVES calculated these or what assumptions it made. Therefore, it is unclear specifically how BVES applies these estimates to inform its allocation of

resources across initiatives and whether the spend allocated to undergrounding is the most effective use of BVES' limited resources.

Condition (BVES-1, Class B): In its first quarterly report, BVES shall:

- i. explain why it is focused heavily on system hardening, including giving information on how other mitigations compare in terms of cost and efficacy;
- ii. articulate a vision for where it plans to go over the next 3 and 10 years;
- iii. provide an explanation for the RSE estimates in Figures 3-4 and 3-5 of the BVES WMP, including the assumptions made and how wildfire RSE and PSPS RSE were calculated; and
- iv. outline in detail how BVES' RSE estimates were used to determine which initiatives it is pursuing, including the level of spend allocated to its undergrounding program.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.1 BVES-1: Focus on Grid Hardening. .

Deficiency (BVES-2, Class B): Wildfire Cameras Do Not Provide Good Coverage of Service Territory. BVES has four existing cameras on the mountain top ridge southwest of BVES' service territory. In viewing them on alertwildfire.org they are clustered near each other and do not appear to provide good coverage from different angles. The WMP says BVES plans to work with partners to install more but no number or details are given. In remote rugged terrain with limited cell coverage such as BVES, cameras provide high situational awareness value.

Condition (BVES-2, Class B): In its first quarterly report, BVES shall detail:

- i) whether it has sufficient cameras, including the observations from alertwildfire.org, and
- ii) plans, including a timeline to improve its camera coverage moving forward.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.2 BVES-2: Wildfire Cameras Do Not Provide Good Coverage of Service Territory.

Deficiency (BVES-3, Class B): High Spend Per Circuit Mile. BVES plans to spend more than three times as much per circuit mile as the large electrical corporations. While BVES has lower economies of scale given its small size, the expense of its program may cause significant impact to ratepayers.

Condition (BVES-3, Class B): In its first quarterly report, BVES shall provide:

- i. further quantitative justification and explanation that from a total cost of ownership perspective, the amount of ignition risk that its initiatives will reduce warrants the extra expense, including whether alternatives could enable BVES to achieve the same level of risk reduction using fewer resources.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.3 BVES-3: High Spend Per Circuit Mile.

Deficiency (BVES-4, Class B): LiDAR Patrol Targets Not Met. BVES reports that it did not meet 2019 targets for LiDAR inspections. BVES' target for 2019 was 211 circuit miles of LiDAR patrols, but BVES shows zero circuit miles actually surveyed.

Condition (BVES-4, Class B): In its first quarterly report, BVES shall:

- i. explain its LiDAR inspection plan and results including the targets that it has set for this program and how it expects to actually achieve this performance.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.4 BVES-4: LiDAR Patrol Targets Not Met.

Deficiency (BVES-8, Class B) Patrols For Asset and Vegetation Inspections Combined. BVES conducts two patrols a year but these are not specific to vegetation management; asset and vegetation patrols are conducted together.

Condition (BVES-8, Class B): In its first quarterly report, BVES shall detail:

- i. why it combines its asset and vegetation inspections,
 - ii. how it verifies and ensures effectiveness of these inspections,
 - iii. whether it plans to establish two distinct inspection processes for assets and vegetation, in order to more thoroughly inspect vegetation, and
 - iv. how it complies with Public Resources Code 4291 *et seq.* and associated regulations to conduct inspections on annual basis.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.8 BVES-8: Patrols for Asset and Vegetation Inspections Combined.

Deficiency (BVES-10, Class B): PSPS. Because BVES' PSPS activity is governed at least in part by what SCE does, BVES should have better plans in place in the event a PSPS event occurs in its service territory. BVES' statement that "Customer Service staff and/or additional staff may be called out to assist with notification procedures as needed" shows a lack of understanding of the information and notification demands required during and in advance of a PSPS. Finally, Bear Valley lacks a communication strategy for providing in-language material, and material for customers with AFN.

Condition (BVES-10, Class B): In its first quarterly report, BVES shall detail:

- i. its strategy to minimize public safety risk during high wildfire
- ii. risk conditions (including the list and description of community assistance locations and services provided during a de-energization event and a communication strategy) sufficient to address the needs of the population in those areas, including Limited English Proficiency and Access and Functional Needs (AFN) populations
- iii. a plan for customer communications and mitigating the public safety impact of PSPS on first responders, health care facilities, operations of telecommunications infrastructure and water utilities/agencies, and

- iv. how it would restore power after a PSPS event.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.10 BVES-10: PSPS.

Deficiency (BVES-11, Class B): BVES Did Not Report an Ability to Identify and Support Customers with Access and Functional Needs (AFN). BVES is required both in the context of PSPS and for disaster preparedness purposes generally to know which of its customers have access and functional needs so that they can receive assistance in preparation for and during an emergency.

Condition (BVES-11, Class B): In a first quarterly report, BVES shall describe:

- i. how it will identify and support customers with access and functional needs during PSPS, emergencies or other disasters.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.11 BVES-11: BVES Did Not Report an Ability to Identify and Support Customers with Access and Functional Needs (AFN).

Deficiency (BVES-12, Class B): Undergrounding (Related to BVES-1). BVES plans to underground most of its assets even though it has had no ignitions, fires or PSPS events and has seen a decreasing trend in near miss incidents in recent years.

Condition (BVES-12, Class B): In its first quarterly report, BVES shall describe:

- i. all reasonable alternatives it has considered in addition to undergrounding,
- ii. whether an option other than undergrounding will achieve comparable reduction in outage and ignition frequency and probability,
- iii. how the capital and maintenance cost for undergrounding and alternatives compare, and
- iv. the expected life of undergrounded vs. overhead assets.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.12 BVES-12: Undergrounding (Related to BVES-1).

Deficiency (BVES-15, Class B): Collaboration. In terms of collaboration with outside agencies and entities in order to make use of best practices and lessons learned, in Table 30, BVES states there is existing cooperation but gives no details.

Condition (BVES-15, Class B): In its first quarterly report, BVES shall describe how:

- i. it collaborates with outside agencies,
- ii. it uses best practices, and
- iii. it acts on lessons learned from this collaboration.

BVES Response: See Appendix B – Deficiencies and Conditions Applicable to Bear Valley Electric Service – 0.15 BVES-15: Collaboration.

Class A Deficiency Will Be Addressed in BVES Remedial Compliance Plan

WSD identified a single Class A Deficiency in Resolution WSD—002. No Class A deficiencies were identified in the draft Action Statement or the draft Resolution WSD-006. The single Class A Deficiency will be addressed in Bear Valley’s Remedial Compliance Plan, which is being filed with the WSD concurrently with this First Quarterly Report and the New WMP.

Conclusion

This First Quarterly Report is being filed concurrently with Bear Valley’s New WMP and Remedial Compliance Plan filings. It is intended to comply with the procedural requirements set forth in Resolution WSD-002 for addressing Class B Deficiencies. Bear Valley’s substantive response to its Class B deficiencies set forth in the draft Action Statement, draft Resolution WSD-006 and Resolution WSD—2 are addressed in Appendix B and Appendix C of the New WMP as described above.

Respectfully submitted,

Bear Valley Electric Service, Inc.

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