

PACIFIC GAS AND ELECTRIC COMPANY

R.08-11-005

HANDOUT

All Party Meeting

September 30, 2011

R.08-11-005 - FIRE SAFETY OIR DRAFT DECISION (REV. 1)

PG&E's Suggested Clarifications and Improvements

I. PATROLS/INSPECTION INTERVALS

Proposed: Correct definition of “year” from “12 consecutive months” to “calendar year” to conform to prior Commission ruling and provide needed flexibility.

Rationale:

A. The Commission has already considered the issue and determined that utilities may use “calendar year” to determine inspection intervals.¹

In D.04-04-065, when discussing inspection cycles for General Order 165, the Commission considered Edison's practice of using calendar years for inspection cycles and determined that more restrictions on such a practice added no value to compliance and only added costs. D.04-04-065 states:

...[T]here is no evidence in the record that such [calendar year] intervals compromise the goals of system safety and reliability. Barring such a showing and recognizing that our historic practice has permitted this limited degree of flexibility in scheduling, we are not persuaded that a more restrictive interpretation of GO 165 does anything but add cost to the utility's compliance.²

To “ensure consistency” and “provide flexibility”³, the Draft Proposed Decision (Rev.1) (Draft PD) should simply conform the new inspection intervals for communications facilities to the existing interpretation of “year” and continue the use of “calendar year” as approved by D.04-04-065.

B. The new definition of “year” as “12 consecutive months” (along with the even more problematic language added in the Draft PD) has taken away all the flexibility that currently exists in the current GO 165 inspection cycles

Patrol and inspection circuits and cycles can change depending on business needs, added or reconfigured circuits, improved efficiencies and processes, and organizational adjustments. The current “12 consecutive months” language unnecessarily restricts a utility's ability to make any needed or appropriate changes. This flexibility is especially needed and important when the patrol or inspection period is a longer period, such as five, ten or twenty years. The proposed language gives a utility only a window of a few months in which to get its patrols and inspections timely done, and completely restricts a utility's ability to reorganize its inspections or do them at a different time in the year. A few examples of the problems created by the 12 consecutive month interpretation:

- Winter storms, wild fires, earthquakes, floods and other natural disasters draw resources away from patrols and inspections and/or make those areas affected inaccessible for patrols or inspections – sometimes for extended periods. A utility must be able to schedule around those events.

¹ There is new language in the Draft Proposed Decision (Rev.1) (Draft PD) in footnote 69 at p. 73, where D.04-04-065 is cited apparently to support an interpretation of “year” as “12 consecutive months”. As explained in the discussion above, PG&E believes this represents a fundamental misunderstanding of what that decision said.

² D.04-04-065 at p.29.

³ These goals of “consistency” and “flexibility” are stated in the Draft PD at p.73 and elsewhere.

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- A utility would not be able to pull away resources from patrols or inspections to render mutual aid to other utilities in the state or country without creating a potential compliance violation.
- Intrusive inspections are required only every 10 or 20 years. A lot can change in that period of time. What made sense for scheduling such inspections 10 years ago may make no sense today.

The new “12 consecutive month” interpretation of “year” is a solution in search of a problem that does not exist. It conflicts with a prior Commission decision on the subject and puts the utilities in an untenable scheduling, compliance and reporting position. PG&E strongly urges that the Draft PD be revised to use “calendar year” as the definition for “year”.⁴

PG&E’s Suggested Changes to Draft PD (green print):

Preferred Language (throughout the Decision, including GO 165):

To ensure consistent implementation of the adopted inspection intervals and to provide flexibility, we define the term “year” as a calendar year.

Draft PD Text, at p. 73.

To ensure consistent implementation of the adopted inspection intervals, and to provide flexibility, we define the term “year” as a calendar year. ~~12 consecutive calendar months starting the first full calendar month after an inspection is performed, plus or minus two calendar months, not to exceed the end of the calendar year the next inspection is due. For example, if an inspection is performed in January of June 2012 and the required inspection interval is one yeartwo years, the next inspection must be completed by the end of January 2013.~~⁶⁸ ~~during the period of April 1 – August 31, 2014.~~^[68] However, if the inspection is performed in December 2012, the next inspection must be completed during the period of October 1 – December 31, 2014. We will also add this definition of “year” to GO 165 to ensure consistent interpretation of implementation of patrol and detailed inspection intervals for both CIPs and electric utilities. ^[69]

Draft PD Footnotes 68 and 69, at p.73.

~~68 Likewise, if an inspection interval is two or five years, the next inspection must be completed within 24 or 60 calendar months, respectively~~ plus or minus two calendar months, not to exceed the end of the calendar year in which the next inspection is due.

~~69 The definition of “year”~~ as a calendar year adopted by today’s decision for patrol and detailed inspection intervals is consistent with the definition of “year” in D.04-04-065 at p.29 where the Commission indicated that a year should be defined in a way that provides companies a “limited degree of flexibility in scheduling” inspections.

⁴ In addition to restricting flexibility for the scheduling of patrols and inspections, this interpretation also makes the required GO 165 reporting on patrols and inspections a nightmare – especially if there have been changes to maps or grids or if inspections scheduled in a following year do not exactly conform to the inspections that were done in the prior cycle. The simple tracking of the timing of one patrol or inspection to the next cycle for each circuit or facility for the purposes of reporting will most certainly require special and complicated programming. Further, there are serious compliance issues raised with the restricted flexibility of the proposed interpretation. For instance, Map A may have been patrolled in December, 2011 but, due to resources or efficiency reasons, must be put together with Map B (patrolled in February 2011) – for patrols in 2012. If the logical and most efficient time to perform that patrol is May 2012, both patrols may have to be reported as out of compliance with the proposed new interpretation of “year”. Finally, these timing and organizational problems may also pose an enforcement problem for Commission staff.

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Conclusion of Law No. 12, at p. 171.

12. For the purpose of implementing the patrol and detailed inspection intervals for CIP facilities in GO 95, Rule 80.1, and for electric utility facilities in GO 165, the term “year” should be defined as a calendar year 12 consecutive calendar months starting the first full calendar month after an inspection is performed, plus or minus two calendar months, not to exceed the end of the calendar year in which the next inspection is due.

GO 95, Rule 80.1, Adopted Rule in Final Form, at p. B-17 to B-18.

For the purpose of implementing the patrol and detailed inspection intervals in the above Table in the high fire-threat areas of the state, the term “year” is defined as a calendar year 12 consecutive calendar months starting the first full calendar month after an inspection is performed, plus or minus two full calendar months, not to exceed the end of the calendar year in which the next inspection is due.

GO 165, Table 1, Adopted Rule in Final Form, at p. B-26.

Note: For the purpose of implementing the patrol and detailed inspection intervals in Table 1 above, the term “year” is defined as a calendar year 12 consecutive calendar months starting the first full calendar month after an inspection is performed, plus or minus two full calendar months, not to exceed the end of the calendar year in which the next inspection is due.

II. VEGETATION MANAGEMENT ISSUES:

A. GO 95, Rule 35: Shut off due to property owner’s obstruction of access for vegetation management activities.

The Draft PD properly instructs utilities to apply for a tariff that will enforce their right to shut off power to property owners who create hazards by obstructing vegetation management activities. However, some of the latest limitations added to the Draft PD dilute significantly and potentially even negate the effectiveness of that potential tool. Deleting the reference to obstructing access for inspections, changing the language to limit the use of shut offs only for when there is an actual breach of minimum clearance requirements, and limiting the ability to use the shut off tool only for breaches of Rule 35, Table 1 puts an electric utility in an untenable position regarding its regulatory and safety obligations.

Proposed:

- Retain the original proposed language or, in the alternative, revise the Draft PD’s language to make it clear that obstruction of access for any vegetation management activity (which would include inspections) cannot be allowed.
- Clarify that shut off may be used where there is an immediate risk of breach – not just when an actual breach has occurred.
- Delete the specific reference to GO 95, Rule 35, Table 1, Cases 13 and 14 throughout or, in the alternative, add language that makes it clear that the shut off tool may be used where there is a risk of breach of any state or federal minimum vegetation management clearance requirement.

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Rationale:

1. **Obstruction of access should include inspections.** The proposed language, “such that the supply company cannot inspect its facilities”, was deleted in the Draft PD. Because this language about inspecting utility facilities was stricken, the utility cannot use the shut off tool to ensure that it can get on the property to inspect for clearance problems and thus will have no way to know whether there is any potential for breach of the clearances. If the more general proposed language regarding the ability of the utility to inspect is not favored, PG&E suggests adding the phrase used in the PD on p. 171, “vegetation management activities”, which would include inspection and allow the utility to enforce its need to be able to get on the property to inspect for needed trimming or removals.
2. **Requiring an actual breach puts the utility in violation of the rules.** The Draft PD added language that now limits the use of power shut off to an actual breach of vegetation clearances. By requiring an actual breach, the utility must wait until there is an existing violation of its obligation to maintain minimum clearances before it can act. The minimum clearances listed are designed to prevent vegetation contacts and potential flashovers. A line in actual breach of the minimum clearance requirements is not only a violation of the various rules and standards that utilities must follow, but it also is a significant fire hazard, presents a service reliability risk, and poses substantial public and worker safety issues. A good vegetation inspection and maintenance program is designed to ensure that no violations or even near misses ever occur. *A utility should not have to wait to act until there is an actual violation.* PG&E suggests that adding the term “immediate risk of” a breach is more consistent with the goals of this rulemaking to mitigate fire risk and better protect service reliability and the public safety.
3. **There are other important statutory and regulatory vegetation clearance requirements (state and federal) with which a California electric utility must comply.** The proposed language for the shut off of power included the words, “required regulatory or statutory clearances”. This phrase was deleted in the Draft PD and instead the Draft PD only referenced Rule 35, Table 1 clearances. The language in the proposed shut off rule was intentionally made general so that all required vegetation clearances could be enforced via the shut off of power. See Table 1 below, which lists examples of various minimum clearance requirements for transmission lines (all of which require greater minimum clearances than Rule 35, Table 1).

Table 1: Examples of Minimum Clearance Requirements for Transmission Lines (in Feet)

kV	GO 95, Rule 35	PRC 4293 ⁵	CAISO ⁶	FERC/NERC ⁷
60	1.5	4	4	n/a
11 5	1.6	10	10	2.5

⁵ The California Public Resources Code section 4293 mandates specific clearances in wild lands and during fire season. (PRC 4293 was referenced in the Draft PD at p.105 and B-12.)

⁶ The California Independent System Operator (CAISO) requires each transmission operator to maintain clearances set in maintenance practices that are submitted to and adopted by the CAISO for each utility.

⁷ The North American Electric Reliability Corporation (NERC) issues Reliability Standards that are approved by the U.S. Federal Energy Regulatory Commission (FERC). Reliability Standard FAC-003-1 requires the Transmission Owner to maintain vegetation clearances, prevent vegetation-related outages, and to ensure the reliability of the system. The number listed is a minimum based on IEEE standards. The standard also requires the TO to have a program that dictates additional clearance for time of trim.

23 0	2.6	10	10	5.1
50 0	10	10	15	14.7

To be effective and to ensure a safe and reliable electric power system that is not impacted by encroaching vegetation, the shut off tool should be available to enforce all the statutory and regulatory minimum vegetation clearance requirements with which a utility must comply.

PG&E's Suggested Changes to Draft PD (green print):

Preferred Language (the original proposed language):

Whenever a property owner obstructs access to, for fails to make accessible, overhead facilities for vegetation management activities, ~~such that the supply company cannot inspect its facilities or there is an imminent threat of violation of required regulatory or statutory clearances,~~ the supply company may...

Alternative Language:

Draft PD, at p. 4.

...This authority is limited to: (1) situations where **access to the property is denied entirely or where** vegetation has breached **poses an immediate risk of breach of** the minimum required clearances for bare-line conductors set forth in GO 95, Rule 35, Table 1, Cases 13 and 14 **or any other state or federal minimum vegetation clearance requirement;** and (2)...

Draft PD, at p. 89.

...First, ~~as proposed by~~ consistent with the Joint Utilities' proposal, an electric utility may shut off power to a property owner who obstructs access to the utility's overhead power-line facilities located on the owner's property **for vegetation management activities** ~~such that the utility cannot inspect its facilities or maintain required vegetation clearances around power lines~~ **or creates** ~~resulting in an~~ **immediate risk of** breach of the minimum vegetation clearances required by GO 95, Rule 35, Table 1, Cases 13 and 14, **or any other state or federal agency rules or standards.** ...

Conclusion of Law No. 13, at p. 171.

13. Electric IOUs should revise their tariffs to state that the electric utility may shut off power to customers who do not allow access to their property for vegetation management activities. The authority to shut off power should be limited to situations where **access to the property is denied entirely or where vegetation poses an immediate risk of** ~~there is a breach of the~~ minimum vegetation clearances required by GO 95, Rule 35, Table 1, Cases 13 and 14, **or any other state or federal agency rules or standards.**

Order No. 7, at p. 177.

7. ...the electric utility may shut off power to customers who do not allow access to their property for vegetation management activities, subject to the following conditions:
i. The authority to shut off power is limited to situations where ~~the electric utility cannot inspect its facilities or maintain required~~ **access to the property is denied entirely or where vegetation**

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poses an immediate risk of ~~there is a breach of the minimum vegetation clearances around its for power lines required by GO 95, Rule 35, Table 1, Cases 13 and 14,~~ **or any other state or federal rules or standards.**

...

iv. ...Such notice may be provided prior to a breach of the minimum vegetation clearances required by GO 95, Rule 35, Table 1, Cases 13 and 14.

B. GO 95, Appendix E: Reference to PRC 4102 and 4293

Proposed: Delete reference to PRC 4102 and 4293, or add language that makes it clear that there are also other state and federal vegetation clearance requirements that must be followed.

Rationale: As with the addition of a specific reference to Rule 35, Table 1 clearances (discussed above), the addition of a specific reference to only one rule (PRC 4293 SRA clearances) in Appendix E may appear to be helpful, but instead creates problems and concerns. Again, if specific references are to be added to the rules, the list is not complete. As exemplified in Table 1 above, there are other statutory and regulatory vegetation clearance requirements (state and federal) omitted with which a California electric utility must comply. The factors listed in the proposed rule change to Appendix E were intentionally made general so they would apply to any specific vegetation clearance requirement a utility might be dealing with, including PRC 4293. If the specific reference to PRC 4293 is to be retained, PG&E suggests that the phrase “or are required by any other state or federal agency with jurisdiction over vegetation clearances” be added to ensure that the utility can comply with all its various vegetation clearance obligations.

PG&E’s Suggested Changes to Draft PD (green print):

Preferred Language: No addition of specific reference to the Public Resources Code.

Alternative Language:

Draft PD at p.104-105:

...Finally, we adopt the recommendation in Cal Fire’s reply comments on the proposed decision to revise Appendix E to state that the minimum time-of-trim guidelines may be exceeded when necessary to comply with the minimum clearance requirements applicable to state responsibility areas (SRAs) pursuant to Public Resource Code (PRC) Sections 4102 and 4293. **We also add language to Appendix E that makes it clear that the guidelines may be exceeded when necessary to comply with any other required state or federal vegetation clearances.**

GO 95, Appendix E, Adopted Rule in Final Form, at p.B-12:

...vegetation growth rate and characteristics, vegetation management standards and best practices, local climate, elevation, and fire risk-, and vegetation trimming requirements that are applicable to State Responsibility Area lands pursuant to Public Resource Code Sections 4102 and 4293- **or are required by any other state or federal rules or regulations.**

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C. GO 95, Rule 35, Appendix E: Quoted language from PRC 4293

Proposed: Replace quoted language from PRC 4293 with language that more appropriately applies to clearances, which is the subject of Appendix E.

Rationale: Appendix E contains guidelines for minimum clearances to be obtained at time of trim. The Draft PD added a reference to PRC 4293 to the various factors in Appendix E that a utility takes into consideration to determine appropriate time of trim minimum clearances, and quoted some language from that statute in Footnote 93. However, the language from PRC 4293 quoted in the footnote does not address minimum clearances. If the reference to PRC 4293 is to be retained (and PG&E suggests above that it not be retained), then the language in Footnote 93 should be replaced with the applicable language about clearance requirements from that statute as indicated below.

PG&E's Suggested Changes to Draft PD (green print):

Footnote 93 PRC Section 4102 defines SRAs as areas for which the state has primary financial responsibility for preventing and suppressing fires. PRC Section 4293, which applies to SRAs, states: "~~Dead trees, old decadent or rotten trees, trees weakened by decay or disease and trees or portions thereof that are leaning toward the line which may contact the line from the side or may fall on the line shall be felled, cut, or trimmed so as to remove the hazard.~~" **"Any person who owns, controls, operates, or maintains any electrical transmission or distribution line upon any mountainous land, or in forest-covered land, brush-covered land, or grass-covered land shall...maintain a clearance of the respective distances which are specified in this section in all directions between all vegetation and all conductors which are carrying electric current..."**

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