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VIA E-MAIL
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Caroline Thomas Jacobs, Director
Wildfire Safety Division
California Public Utilities Commission
505 Van Ness Avenue
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Subject: Pacific Gas and Electric Company's Comments on WSD Staff Proposals and Workshops

Dear Director Thomas Jacobs:

Pacific Gas and Electric Company (PG&E) submits the following Comments on the Wildfire Safety Division's (WSD) three staff proposals:

- (1) Wildfire Safety Division Staff Proposal on Changes to Wildfire Mitigation Plan Requirements and Metrics Tables (WMP Proposal)
- (2) Draft Wildfire Safety Division Geographic Information System (GIS) Data Reporting Requirements and Schema for California Electrical Corporations (GIS Proposal)
- (3) Wildfire Safety Division Draft Recommendations for Developing a Safety Culture Assessment Process (Safety Culture Proposal)

(jointly "Proposals"), as well as on related presentations and discussions at the August 11th and 12th workshops (jointly "Workshop").

Additionally, PG&E appreciates the presentation from the Wildfire Safety Advisory Board (WSAB) and the input from several others on the important concept of System Hardening for Electric Utility Resiliency during the Workshop. That discussion highlighted very important concepts about acceptable risk thresholds, the interplay between different risk mitigation activities and their relationships with cost effectiveness. While the path forward for potentially implementing the recommendations discussed was not resolved, PG&E agrees that ongoing focus on these concepts is valuable and looks forward to that engagement.

PG&E's Comments on the WMP Proposal

PG&E appreciates the WSD's WMP Proposal, which includes a number of good improvements and clarifications from the 2020 Wildfire Mitigation Plan (WMP) process. One example is the consolidated section to discuss the Public Safety Power Shutoff (PSPS) program and related efforts¹, which will better align those critical discussions in one place. PG&E also identified some areas that could be further improved or revised to focus the WMP on addressing the most important issues so as to maximize the effort of the WSD and all other parties in reviewing the 2021 WMPs. The WMP is a critical, but large, document that must be reviewed and assessed on an accelerated timeline. Optimizing the content, organization, and data included in the WMPs is in the best interests of all parties to enable consistent submissions that are feasible for parties to review and provide feedback on. An effective and efficient WMP process can further support an ever-improving wildfire mitigation plan for PG&E and the other California utilities to further our collective goal of reducing the risk of utility caused wildfires for the customers, citizens and communities of California.

Timing: As expressed by a number of parties during the August 11th workshop, the development timeframe for the 2020 WMPs was compressed. Arthur O'Donnell noted this in his comments explaining, among other things, that for the 2020 WMPs: "People did not have very much time", the timeline "left a lot of people scrambling", and that the WSD "really want[s] to avoid that this year." Unfortunately, the timeline in the WMP Proposal to release guidelines by October 31 and confirm the guidance by December 1st² is neither a material improvement over the 2020 process nor enough time to allow the utilities to respond to any and all changes to the guidelines. If the 2021 WMPs are due the first Friday in February (as they were in 2020) then approved guidelines on December 1st represents a window of only 66 calendar days for the utilities to incorporate the final guidance of the WSD, and that does not take into account the numerous federal holidays in that period of time. In its recommendations on the 2021 WMP Guidelines, the WASB advocated for 2021 WMP submissions to be due "at least four months after the approval of the final 2021 WMP Guidelines."³ PG&E agrees with the WASB's recommendation that such a timeline would be much more likely to support utilities in providing complete 2021 WMP submissions. Aligning with that recommendation would mean that 2021 guidelines should be finalized around October 5th (assuming the February 5, 2021 WMP due date).

¹ WMP Proposal, p.2 and 19.

² *Id.*, p.4.

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https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WSD/WASB%20Recommendations%20on%202021%20WMP%20Guidelines%20REDLINED%206.24.2020.pdf at pages 8 and 16

While PG&E understands that finalizing the guidelines by October 5th may be aggressive, we believe it is achievable given that the WSD has already laid out in the WMP Proposal a number of the changes it is considering, if not all. After incorporating input from these comments, another workshop, or a similar, collaborative engagement in early September could allow the WSD to issue complete 2021 WMP guidelines in mid-to-late September. A September draft of the WMP Guidelines would already incorporate the feedback of the WMP parties and therefore result in minimal changes between issuance of those guidelines and the ratified, approved guidelines in mid-to-late October. PG&E encourages the WSD to strongly consider such a timeline, as recommended by the WASB, setting the 2021 WMP process up for success by allowing the utilities adequate time to prepare and submit plans.

Clarity on Process: Related to the above discussion on timing, several clarifying details would substantially aid the utilities in beginning to plan for and prepare their 2021 WMPs. First, the WMP Proposal is unclear on whether a Supplemental Data Request (SDR) is necessary for the 2021 WMP submission. The WMP Proposal identifies several areas where data from the SDR is being integrated into the 2021 WMP and comments were already provided previously that a number of the data elements in the 2020 SDR may be duplicative with what was in the 2020 WMP templates. PG&E strongly advocates for streamlining the documentation and process for the 2021 WMP by integrating whatever information from the 2020 SDR concept is needed into the 2021 WMP guidelines and eliminating the additional submission of an SDR. Second, the WMP Proposal clearly states at the bottom of page 3 that “[t]he recommendations below are a DRAFT ... and NOT exhaustive.” While PG&E understands that the 2021 WMP process is not yet at the stage of having finalized 2021 WMP guidelines or templates, this direction creates uncertainty in the current process. Does the proposal as a draft represent most, some or very few, of the ultimate changes that will be incorporated into the 2021 WMP guidelines? Without having some context for how far along the WSD is in their development of the 2021 WMP guidelines it is difficult to properly calibrate our feedback at this stage in the process or how firmly we can rely on these recommendations to begin developing materials for the 2021 WMP (since we are, in fact, only about 5 months from the expected plan submission date).

Standardizing Data: The WSD’s objective number 1 is to “Standardize Data Across Utilities.”⁴ While PG&E understands and agrees with the need to drive towards this outcome, it is important to keep in mind the different starting points and realities of the current data processes and toolsets of the diverse utilities preparing WMPs. PG&E is very focused on improving our data gathering, management and governance processes as we’ve discussed with the WSD and in alignment with this objective identified in the WMP Proposal. However, the fundamental work that must be done to accomplish this will take years, not months. Unfortunately, merely tweaking templates or definitions will not enable completely standardized

⁴ WMP Proposal, p.4.

data across utilities by February 2021. This objective is good and we are aligned with it as achievable over the next several years. The 2021 WMP submissions will show improvements in standardization from the 2020 submissions, but WSD must have reasonable expectations that reflect the significant feedback and insight it has recently gathered and is currently gathering related to data standardization.

Defining Metrics: Measuring outcomes is critical to assessing success and PG&E appreciates and understands the focus on metrics and the desire to capture the ideal population of metrics. However, it is clear after the first two rounds of WMP guidelines and submissions (2019 & 2020) that defining and capturing the ideal wildfire-related metrics, particularly outcome measures, is very challenging. PG&E appreciates WSD’s comments on page 11 of the WMP Proposal that in the 2020 WMPs it “determined that the metrics were misunderstood or poorly reported by utilities and were less useful than expected.” The WSD goes on to say: “[i]n this case, more discussion or refinement of definition or description is needed, which may be best discussed in the workshop setting.” PG&E agrees wholeheartedly and advocates for an engaged, inclusive process for developing metrics, while appreciating that the metric definitions and results in the 2021 WMP will be an improvement from the 2020 WMP on the path of continuous improvement and further wildfire risk mitigation.

Streamlining metrics: While PG&E recognizes that the WMP Proposal is a draft, there are several metrics or details included that can be improved. In particular, PG&E is aligned with the WSAB’s recommendation (1.4) from its 2021 WMP recommendations⁵ that “the 2021 WMP Guidelines require simplified and streamlined reporting requirements to include the data that is critical for WSD staff to complete its evaluation.” PG&E appreciates Arthur O’Donnell reiterating this at the beginning of the August 11 workshop when he stated, “[w]e really want to streamline the amount of information from the utilities as part of the WMP.” PG&E believes, in alignment with both of these statements, that more data does not contribute to the efficient evaluation of the utilities’ WMPs, can create wasted effort for all parties, and may be a distraction from the critically important need to focus on wildfire risk reduction. Lastly, given the importance of wildfire risk mitigation, a number of the issues addressed in this WMP proceeding are also addressed in other California Public Utilities Commission (CPUC) proceedings and processes. Limiting the duplication, overlap and risk of misalignment between proceedings is in the best interests of all parties. Some specific examples of opportunities for improving or streamlining the WMP Proposal include:

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https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/About_Us/Organization/Divisions/WSD/WSAB%20Recommendations%20on%202021%20WMP%20Guidelines%20REDLINED%206.24.2020.pdf at pages 8 and 17

- **Ratepayer impacts:** WSD’s objective number 4 and the metrics on pages 8 and 9 focus on converting spend on wildfires or wildfire mitigation activities into ratepayer cost increases. It is now well-established that the WMP is not a cost recovery proceeding. There are other, large-scale proceedings that deal with the issues of cost recovery and rate impacts and those proceedings are large-scale for a reason: this is not a simple question with a simple answer. Instead, cost recovery is complex and involves multiple venues such as the General Rate Case, Memorandum Account Recovery applications, and costs recovered outside of CPUC proceedings (like transmission asset costs recovered through FERC-approved rates). This data used in these proceedings is complex, detailed, and time consuming to create. Therefore, PG&E strongly suggests that cost data requested in the 2021 WMP templates be limited to that which was provided in the 2020 WMP templates.
- **Evacuation data:** At the bottom of page 12 of the WMP Proposal, the WSD outlines several metrics related to evacuation data, including customers notified of evacuation orders. The electric utilities are not the entities responsible for evacuation decisions, orders, or communications, even for utility-ignited wildfires. PG&E has had discussions with first responder agencies about this very issue and has been reminded that in case of an active wildfire where emergency communications need to be made, including evacuation communications, that PG&E needs to stand down and point customers back to the appropriate authorities (like County OES and/or Sheriffs) who direct those decisions and communications. Given that the utilities are not responsible for these activities, nor are we the source of the data, PG&E does not understand the applicability of this information to the evaluation of utility’s WMPs. These metrics should be removed from the 2021 WMP templates.
- **Near Misses / Near Ignitions:** PG&E understands the conceptual value in capturing incidents that could have led to a catastrophic wildfire under different circumstances but did not. However, after numerous conversations with multiple parties and several divisions within the CPUC, it is clear that there is no consensus on a definition of what exactly these situations are. The WSD’s comments on August 11th expressed concern that the definition it created for near misses for the 2020 WMP did not result in consistent data across the utilities. However, unilaterally creating a new definition, this time for “near ignitions”, risks the same outcome in the 2021 WMP. The definition of an ignition itself was developed through an extended, stakeholder-involved process that resulted in the ignition reporting definition and criteria used today. A universal definition for near ignition (or near miss) is even more complex than the definition of a reportable ignition. PG&E encourages the WSD to work with WMP stakeholders to collaboratively develop a workable and well-understood definition for “near ignitions” for WMP purposes. Similar to the discussion of data governance above, the WSD must also be realistic about its expectations for the 2021

WMP and whether it is feasible to work through that process to establish a uniform definition and collect all applicable data (historical and/or forward looking). PG&E notes that in most proceedings when a new metric or criteria is established it is understood that parties may not have historical data in exactly that format and that new processes and tools may need to be developed to implement the definition created. In this case, PG&E emphasizes some of the uncertainty in the definition to “near ignitions” proposed on page 13 of the WMP Proposal.⁶ In particular, the evaluation of what constitutes “charring, melting, heavy smoke deposits,” could be very challenging and considering a plain language reading of those words, multiple trained electric industry professionals could look at the same piece of equipment and disagree about whether the equipment is “charred”, shows indications of “melting” or if indications of smoke deposits are “heavy” or not. In addition, there is uncertainty about whether those conditions were caused by wildfire ignition potential from the utility asset or outside influences (*e.g.*, smoke deposits due to a wildfire, slash burn or cooking fire nearby). More time and collaboration is necessary if all parties are to derive meaning and value out of a near miss or near ignition metric. PG&E encourages WSD to incorporate that into its long-term planning and near-term expectations.

- **Precise definitions:** PG&E notes that several words or phrases included in the proposal are not clearly defined or universally understood. PG&E understands this to be related to the interim nature of these recommendations and assumes that clear definitions will be provided with the WSD’s guidelines. A few examples PG&E identified include “heavy smoke deposits” as noted above, “critical infrastructure” in section 2.8 and PSPS “event” from Table 12, among others. Given the benefits of consistency across WMPs and complete submissions, clear definitions that are feasible for all utilities to produce (*i.e.*, are not unique to the data structure or reporting systems of just one utility) are critical.

Qualifications: In two different sections of the WMP Proposal, the WSD proposes that the utilities provide much deeper information on qualifications, first of “program owners” (page 5) and then of individual workers (page 10). PG&E believes that the WSD and other stakeholders should consider the necessity of this information in evaluating a utility’s WMP. PG&E has integrated wildfire risk mitigation activities into day-to-day Electric Operations and has therefore mobilized a substantial number of teams and individuals in developing, supporting and leading the WMPs. As such, the first requirement for program owner information will lead to a considerable volume of information, including phone numbers and emails, which seems

⁶ The definition provided on page 13 is “Events that manifest in charring, melting, heavy smoke deposits, and/or visible evidence of arching that could indicate enough heat was present, which could have led to an ignition.”

excessive. Further, given that the WMP Proposal already notes that “[c]ontact information deemed confidential may be provided in a redacted supplement” the importance and value of this information for all stakeholders should be considered. As it relates to worker qualifications⁷, PG&E encourages the WSD to engage with the IBEW on this discussion. The two largest worker groups identified in the WMP Proposal, vegetation management projects and asset inspections, are performed by IBEW represented workers and worker qualifications have generally been developed in conjunction with the IBEW. PG&E encourages the WSD to consider whether the WMP is the appropriate and necessary venue for these discussions and if this topic constitutes a needed investment of the time for all WMP parties.

Citing Relevant Statues: Similar to the discussion above on streamlining metrics and data, the gathering and citing of statues that may potentially be related or adjacent to WMP activities (as identified on the last page of the WMP Proposal) is not clearly relevant to the evaluation of the utilities’ WMPs. Utilities already have numerous venues to review compliance programs and PG&E understands the WMP to be explicitly not about the minimum activities required to comply with statues but rather the risk-informed appropriate actions to reduce wildfire risks. PG&E believes that it is not productive to frame wildfire work in statutory requirements, but rather to focus on risk mitigation. The further detail of this proposed requirement to provide “a brief description or summary of the relevant portion of the statute” will further increase the length and complexity of the WMPs which further impacts all stakeholders in digesting and evaluating the WMPs. Given that statutory requirements are not an appropriate anchor for the WMPs and, as Arthur O’Donnell stated in the workshops, “[w]e really want to streamline the amount of information from the utilities as part of the WMP”, PG&E believes that this requirement is unnecessary and counterproductive to the goals of the WMP.

PG&E’s Comments on the GIS Proposal

“Quarterly” Reporting Cycles: The 2020 WMP Resolutions (WSD 002 and WSD 003, in particular) introduced a new requirement for quarterly reports from the utilities with specific due dates, namely September 9th for the first report. These reports must include data “for the previous quarter” without a clear definition of what dates should define the “quarter” in question. This issue was briefly discussed during the Workshops, with a concept introduced of mid-month cut-off dates for data submissions, for example “quarters” that run from 5/15/20 to 8/15/20. Unfortunately, such cut-off dates are not effective for utilities. Like most corporations, our reporting cycles and quality checks are built around calendar months, and to some extent calendar quarters. At a minimum, utilities will have to pick groups of 3 calendar months when providing data for “quarterly” reports and all parties would benefit from adjustments to schedules and cycles that would allow for reporting associated with calendar quarters. For example, having quarterly reports due 45 days after the calendar quarter closes (May 15,

⁷ WMP Proposal, p. 10.

August 15, November 15) would be very productive. Under that schedule, the end of year quarterly report data could be included in the WMP submission in early February resulting in a cycle of 3 quarterly reports and one annual WMP submission which includes all data that would have been included in a quarterly report (plus all the other material unique to the annual / WMP submission). Given the current timing of the first quarterly report being due on September 9th, PG&E plans to submit data from May, June and July (5/1/20-7/31/20) as the “last quarter” and August, September and October as the “upcoming quarter.”

Scope of data in the first quarterly report: Resolution WSD 002 included Condition Guidance-10, which outlines a specific population of data, in alignment with an overall data taxonomy (Data Standard), that needs to be included in the first quarterly report. The scope of Guidance-10 was specific to providing last quarter and upcoming quarter data on key WMP initiatives, identified specifically as “grid hardening, vegetation management, and asset inspections.” While the Data Standard process started in July included discussions of data formats for a much wider population of concepts (assets, events, risks and initiatives), the scope of what data needed to be submitted in the first quarterly report was limited by the terms of Condition Guidance-10. During the Workshops on August 12th the WSD communicated, for the first time, that all data types in the data schema document in the GIS Proposal were expected to be submitted with the September 9th first quarterly report using the Data Standard. This change in scope during the Workshops presents a significant challenge to the utilities and is very unusual. As discussed further in the “Process” section below, CPUC requests for data and standardization of this magnitude would usually follow a much different process. Further, as noted in the “Alignment of Direction with Maturity Model” section below, PG&E is simply not at a level of maturity with our data management and governance to respond in a complete manner to this new scope, much less, in under 30 days. PG&E encourages the WSD to collaborate with the utilities on a much more feasible timeline for submitting GIS data (beyond the scope of Condition Guidance-10) in alignment with the Data Standard.

During the portion of the Workshop focused on GIS data standards, staff acknowledged that the utilities would likely not be able to provide all the data requested in the GIS data standards and schema by their September 9th Quarterly Report filing. This is due to several factors, including whether the utilities collect the data being sought, have the data in a readily usable format, have integrated the multiple data sources needed for a completed response, or for other reasons. PG&E can affirm this statement. While we appreciate the direction and vision WSD has for collecting data from the utilities in the format requested, the timeframe in which to do so does not allow us to have a complete data set ready in the format requested for the reasons mentioned above. PG&E is committed to providing as much data as it feasibly can in the format requested, and to provide as much detail, and feedback on the timing and appropriateness of the data it is not able to provide in the format requested, in its first quarterly submission, recognizing there is still much more work to be done.

Process: To achieve WSD’s goal of standardizing and collecting data from the utilities that help inform wildfire risk mitigation activities, and to allow the utilities to support the collection of meaningful data in the most effective and efficient manner, PG&E suggests the WSD establish a technical working group to collectively define and align on the definitions and timing of data to be collected. Not only will this ensure that we all understand the data utilities currently track and maintain and the process for collecting that data, it will also help prioritize the time and investments needed to gather further data needed to achieve WSD’s vision of data standardization. More importantly, this should occur outside the fire and PSPS seasons, as many of the subject matter experts needed for this crucial dialogue will be engaged in the support and execution of critical public safety work that necessarily takes precedent over the development of long-term data standards. To date PG&E believes that many actions taken with regards to the development and enforcement of the Data Standard should have occurred in a traditional regulatory proceeding. By not doing so, the opportunity for utility and public comment has been abbreviated and has created resource intensive and time sensitive response requirements without clear cost recovery mechanisms. Implementing a more comprehensive process that allows for the necessary dialogue between the utilities, the WSD, and stakeholders to understand the best path forward will enable a “least regrets” path forward as the utilities mature their respective data management practices.

Alignment of Direction with Maturity Model: As outlined by the CPUC itself earlier this year, PG&E’s maturity in the data governance, and broader data management space, is at a zero on a scale of zero to four. PG&E’s technology, related business processes, and limited subject matter expertise in this space directly impacts our ability to complete requested actions in a thorough and timely manner. As outlined by the maturity model, PG&E will likely not be at a level three (consistent with best practices) until after 2023. In the interim, tasks that would be standard for a level three utility to complete, like the data catalogue activity requested, if they even are possible, at a minimum will require excessive resources due to PG&E’s current maturity status. To be clear, PG&E does not disagree with the task, in fact it was one of the first tasks in its 5 year action plan, however completing the task in such a rushed manner (less than 30 days) will only lead to expensive and incomplete deliverables that do not completely further the utility’s maturity or the WSD’s understanding of utility operations. We ask that WSD recognize PG&E’s current level of maturity when developing requests and their associated timelines.

Timing with regard to Wildfire Season: We encourage the WSD to apply discretion in the requests it makes on utilities during and in the months leading up to wildfire season. The subject matter experts that respond to such requests are the same individuals who are staffed in our Emergency Operations Center responding to outages, wildfires, and other events that threaten the safety of our employees, contractors, first responders, and the general public. While important, activities like establishing a data standard force a tradeoff between near term risk reduction and long-term maturity, PG&E encourages the WSD to implement an off-season, pre-season, and season approach to how it engages with utilities in relation to wildfire preparedness.

Such a construct would avoid this trade off and provide sufficient time for thoughtful and creative solutions to be workshopped and matured. Additionally, it would shift utility actions from reactive to planned, reduce the use of expensive staff augmentation resources and allow for the effectiveness of previous decisions to be evaluated.

Technical approaches: We encourage the WSD to follow data management best practices, specifically the use of APIs (Application Programming Interfaces) to access data, rather than making duplicative copies of the data. Current practice leads to customers bearing unnecessary storage costs, as well as potentially exposing sensitive information to additional attack vectors. Further, PG&E encourages the WSD to consider utilizing an industry standard rather than creating its own new standard. As has been stated in previous forums, the creation of a custom standard is unnecessary and will lead to higher costs for customers; furthermore, creating a standard unique to California utilities does not facilitate benchmarking and incorporation of best practices from outside California. When evaluating the creation of a new standard for natural gas geospatial data, the Commission successfully implemented the Pipeline Open Data Standard (PODS) data model, rather than creating its own standard. Like this example, we suggest the WSD looks to implement a standard already being used by the industry.

The proposed data standard “field type” is not implemented in a manner that follows industry conventions or best practices. Examples include: the use of integers where a date format should be used (example: InstallationYear), open text where a categorical option should be utilized (example: AssetOHUG), or the use of open text where an integer should be used (example: QuantityinBank). Furthermore, the standard should consider utilizing numerical representation for categorical options with an associated reference table, to reduce overall database size and enable advanced analytics (example: DamageDescription).

In order to facilitate dialogue and engagement regarding specific data standard elements, the WSD should generate unique attribute identifiers. The structure of these identifiers could follow the structure of the proposed scheme. For example – WDE.iii could represent attribute WireDownDate on page 37 of the GIS Proposal (the third attribute in the Wire Down Event table).

The proposed data standard lacks utilization of calculated fields. For example, the WSD requests both asset installation date and asset age. The second should be a calculation based on the first (current data minus installation date). The lack of utilization of calculated fields will result in data that is quickly out of date. To further this example, if age estimates are to be provided for data where installation date is not known, then estimated installation dates or ranges (like decade) should be used to avoid data naturally going out of date.

PG&E's Comments on the Safety Culture Proposal

PG&E generally supports the approaches set forth in the Safety Culture Proposal. PG&E is steadfastly committed to improving its safety culture and looks forward to WSD's annual assessments as an important component of a multilateral program for advancing that goal. PG&E provides the following comments to offer some general observations about safety culture and safety culture assessments, and to propose refinements to some of the recommendations in the Safety Culture Proposal.

Safety Culture In General: PG&E believes that, for safety culture assessments to be meaningful, WSD, the utilities, and their stakeholders must have a shared understanding about the nature of safety culture.

Safety culture, as its name implies, is a central character trait of an organization—*e.g.*, the extent to which management and the workforce think of safety as a priority, whether the organization values putting safety first, whether the organization habitually makes safety top-of-mind, and so forth. Put more technically, “[s]afety culture...is made up of the cognition (*e.g.* information processing and evaluation which occurs prior to a decision or action being carried out) and emotion (*e.g.* whether people feel happy or upset about something) which give groups, and ultimately [an] organisation, its character.”⁸

Safety culture includes or relates to what some experts call safety climate, *i.e.*, the symbolic (*e.g.* posters in the workplace, state of the premises, etc.) and political (*e.g.* managers voicing their commitment to safety, allocation of budgets to safety, etc.) aspects of the organisation which constitute the work environment.”⁹ Safety culture also can manifest itself in safety management, *i.e.* “the documented and formalized version of the safety management system which will exist as a paper-based system of policy, procedures and instructions, etc.”¹⁰

“Safety culture is a stable and enduring feature of the organisation.”¹¹ As such, changing it can take considerable time and effort, particularly in a complex organization with multifaceted operations and numerous constituents and stakeholders (*e.g.*, management, represented and non-represented employees, contractors, customers, local and tribal governments, community organizations, etc.). Annual safety culture assessments should recognize these challenges and should be a positive force by constructively coming alongside management to inform and enhance its efforts to improve the organization's culture.

⁸ R. Kennedy & B. Kirwan, *Development of a Hazard and Operability-Based Method for Identifying Safety Management Vulnerabilities in High Risk Systems*, 30 *Safety Science* 249, 251 (1998).

⁹ *Id.*

¹⁰ *Id.*, p. 250.

¹¹ *Id.*

Safety Culture Is Primarily Assessed Qualitatively: Because safety culture is, by definition, a “soft” concept, it is typically assessed primarily through qualitative means (*e.g.*, dialogue with managers and employees, surveys, interviews, etc.). PG&E therefore has reservations about the Safety Culture Proposal making “culture-specific performance metrics” part of the annual safety culture assessments.¹² PG&E believes that performance metrics generally are most useful if they can be objectively defined, measure or strongly correlate with the overall goal in question, and are capable of accurate and auditable measurement. This can be challenging when it comes to safety culture. Although PG&E agrees that it is possible to devise quantitative safety culture metrics, they should be developed with great care, and in any event, should not be the fundamental driver of safety culture assessments. And of course, any metrics must avoid creating perverse incentives (*e.g.*, discouraging a “speak up” culture, which is widely recognized as important to safety).¹³

The Safety Culture Proposal lists “some . . . wildfire safety metrics [that] are already being collected” that “could be used for WSD’s assessment,” such as “[i]gnitions,” “Wires Down Incidents,” “Customer Outages from Public Safety Power Shutoff Events,” and “[a]cres burned by utility involved wildfire.”¹⁴ These metrics, whatever their merit for measuring progress toward reducing wildfire risk, are not useful—and are potentially misleading—for assessing safety culture. Performance on such metrics will be affected by a wide variety of factors that operate largely if not entirely independent of culture; for example wires down and public safety power shutoffs are highly dependent on weather, and acres burned likewise is dependent on weather, fuel conditions, and a host of other factors. Performance on these metrics can vary significantly from year to year regardless of a utility’s safety culture. Accordingly, the specific metrics listed on page 11 of the Safety Culture Proposal, whatever their utility in other contexts, are not useful for assessing safety culture.

Safety Culture Assessments Should Allow Needed Flexibility: The WSD should be careful not to be overly prescriptive as to the manners in which utilities must develop and structure their safety culture approaches. Different companies may be organized differently, resulting in different optimal approaches; there is no one-size-fits-all safety culture. Even for a given company, one could devise more than one approach that would be successful. Thus, advance regulatory dictates have the potential to stifle positive innovation and flexibility, and to be counterproductive. Rather than adopting such a command-and-control approach to safety culture regulation, the WSD should allow utilities to devise what they believe to be their optimal

¹² Safety Culture Proposal at 11.

¹³ *See, e.g.*, I.15-08-019, Scoping Memo and Ruling of Assigned Commissioner, Attachment: NorthStar Consulting Group, *Assessment of Pacific Gas and Electric Corporation and Pacific Gas and Electric Company’s Safety Culture Prepared for the California Public Utilities Commission* at I-10 (May 8, 2017) (recommending “a non-punitive system for reporting actual and potential safety incidents to the CPUC to encourage reporting and facilitate lessons learned”).

¹⁴ *Id.*

approaches, and to present the results to WSD in the annual safety culture reviews, with the WSD retaining the ability to evaluate the adequacy of those safety, and to provide suggestions for improvements going forward.

For these reasons, although PG&E supports the proposal on page 9 of the Safety Culture Proposal to use management self-assessments as part of safety culture evaluations, PG&E has concerns with the proposed “maturity model” construct. Though PG&E appreciates that the Safety Culture Proposal suggests only a “streamlined” model,¹⁵ the WSD appears to recognize that any such model necessarily would remain “complex” and involve numerous elements and possibly even “sub-elements.”¹⁶ PG&E understands that such elements and sub-elements would be prescriptive for all utilities, rather than tailored to the unique circumstances of each company. PG&E believes that any such model should be developed with caution, should be kept simple to avoid making it unduly prescriptive or burdensome, and should have built-in flexibility to allow PG&E and other utilities to grow their safety culture in ways that are most beneficial for each unique company and its stakeholders.

Relatedly, PG&E has concerns with the employee survey questions listed on page 10 of the Safety Culture Proposal. Although PG&E believes that those questions are a good start conceptually, but that use of each particular question should not be mandatory. PG&E also believes that each utility should be free to ask additional or different questions if it believes it appropriate to do so in light of its particular culture, history, risk environment, and other factors.

PG&E also does not believe that employee surveys should be narrowly “focused on wildfire safety policies and practices.”¹⁷ Though wildfire safety obviously is a critical area, safety culture permeates the entire organization, and reflects a more general attitude that equally touches other important areas such as gas safety, generation safety, employee safety, and contractor safety. PG&E believes that, if annual safety culture assessments are to be maximally effective in helping the utilities improve, the assessments should endeavor to be holistic and not focused on one narrow area.

The Appropriate Responsibilities of a Chief Safety Officer (“CSO”): In the Commission’s Order Instituting Investigation (OII) on PG&E’s Chapter 11 plan of reorganization, PG&E advocated for the CSO position and for providing that position with enhanced status, roles, and reporting functions. The Commission’s decision (D.20-05-053) approved of those concepts, and PG&E has since executed on those proposals. Accordingly, PG&E endorses the CSO aspects of the Safety Culture Proposal, with one exception: PG&E does not believe that WSD should dictate that the CSO be the utility executive who holds overall

¹⁵ *Id.*, p. 9.

¹⁶ *Id.*

¹⁷ *Id.* at 10.

accountability for the annual WMP.¹⁸ Indeed, PG&E believes that that would be counterproductive.

PG&E's CSO position is not an operational position. PG&E's CSO oversees the safety function, provides help and advice to the lines of business, and audits safety efforts. PG&E's CSO position intentionally maintains a degree of *independence* from operations in order to fulfill these functions effectively. Although PG&E's CSO partners with the lines of business to develop and monitor safety programs across the enterprise (covering both public and workforce safety), the responsibility for developing and executing on the WMP resides within PG&E's Electric Operations line of business. That is where the most extensive knowledge of and expertise on the Plan resides, and where implementation of those vast efforts occurs. It is the leader of Electric Operations,¹⁹ or the more senior executive to whom they report, who logically and functionally "holds overall accountability for the annual WMP described in [Section] 8386(c)(1)."²⁰ Indeed, Section 8386(c)(1) expressly calls for identification of the "persons responsible for *executing* the plan." (Emphasis supplied.) That person is clearly not the CSO. Accordingly, PG&E believes that this sentence of the Safety Culture Proposal should be deleted.

Issues Pertaining to Safety Committee Membership: The Safety Culture Proposal suggests that the PG&E bankruptcy OII Decision required "[s]election of individual members of the [Safety] committee [to] incorporate consultation with, or approval of, the State and Commission staff."²¹ However, the Decision in fact provided only that "PG&E will consult with the State on the *initial* members of the reformed SNO Committees."²² The decision did not call for CPUC staff involvement in selection of the SNO Committees' membership, and did not call for State involvement beyond the initial committee members upon Chapter 11 emergence. Accordingly, this sentence of the Safety Culture Proposal should be revised for accuracy.

In addition, PG&E disagrees with the recommendation "that each utility be required to recruit and appoint directors who meet the [] criteria for wildfire safety, and those members

¹⁸ *See id.*, p. 8.

¹⁹ PG&E's head of Electric Operations historically has been at least a Senior Vice President. Currently, the head of Electric Operations also is the Interim President of PG&E.

²⁰ Safety Culture Proposal, p. 8.

²¹ *Id.*

²² D.20-05-053, p. 25 (emphasis supplied). As noted in the Safety Culture Proposal, the Commission's bankruptcy Decision stated that rather than creating a new safety committee, PG&E could keep those functions in its existing Safety and Nuclear Oversight ("SNO") Committee.

should also be appointed to the Safety [SNO] Committee.”²³ This requirement would be both unwise and impractical. The Safety/SNO Committee members should collectively have a breadth of safety expertise, rather than a specific wildfire focus. Moreover, it would be impractical to recruit a sufficient number of qualified board members with specific wildfire expertise to fully staff the SNO/Safety Committees (and doubly so when combined with the other board skills matrix elements, and with the call for a majority to be California residents).

Conclusion

In summary, PG&E appreciates leadership of the WSD on these critically important wildfire-related topics. The recent weather and terrible, resulting wildfires have re-emphasized the criticality of this effort and the challenge California faces with a significant footprint of high fire areas and unprecedented weather patterns. Many elements of the Proposals are good and ready to move forward while others may require a bit more refinement or consultation across multiple parties. We appreciate the opportunity to provide these comments and hope that they contribute to a continued, collaborative discussion across numerous stakeholders to further improve these various WMP-related processes and, more importantly, further our collective goal of eliminating utility-caused catastrophic wildfires.

Sincerely,



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²³ Safety Culture Proposal, p. 8. The PG&E Bankruptcy Decision called for SNO Committee members to have one or more of specified safety expertise criteria, one of which was: “Specific substantial expertise related to wildfire safety, wildfire prevention, and/or wildfire mitigation.” (D.20-05-053, at 39.)