



SAFETY AND ENFORCEMENT DIVISION **MONTHLY PERFORMANCE REPORT**

September 2021



**California Public
Utilities Commission**

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This Report reflects Safety and Enforcement Division's monthly work product. It has not been approved by the Commission rather it is information provided by the Division.

INTRODUCTION

The CPUC's Safety and Enforcement Division (SED) oversees the safety of electric and communication facilities, natural gas infrastructure and propane facilities. SED is comprised of three branches of utility engineers, analysts and investigators that focus on ensuring the safety of utility infrastructure and reducing utility caused wildfires. SED advocates for public safety through performing safety audits, conducting incident investigations, and appearing in CPUC safety proceedings. SED has the authority to issue citations with penalties against utility operators who violate public utility safety codes and requirements.

Notes from SED Director Lee Palmer

September was a busy month for SED. Most notably, SED took actions/advocated for customers in PG&E's Fast Trip program, now renamed Enhanced Power Line Safety Setting (EPSS) program, and participated in Summer Reliability discussions for Summer 2022.

In late July 2021, PG&E initiated the Fast Trip (EPSS) setting practice on 11,500 miles of lines in High Fire Threat Districts to reduce wildfire ignitions from power line contact. The practice caused hundreds of unplanned power outages and impacted thousands of customers.

EPSS-caused outages occur with no notice and can last hours or days. In September, PG&E reported that implementing EPSS settings had significantly reduced reportable wildfire ignitions from contact with its power lines. However, this practice increased the frequency and duration of unplanned power outages for its customers. Communities in PG&E's territory were subject to outages which upset customers, elected officials and stakeholders.

Unlike a PSPS, weather is not the only trigger of the enhanced sensors. Wildlife (squirrels, etc.) can trigger the sensor to turn off power to an energized line.

On September 8, PG&E briefed the Office of Energy Infrastructure Safety, California Department of Forestry & Fire Protection, California Public Utilities Commission, and California Office of Emergency Services, as to how PG&E will mitigate and reduce the potential for its electrical infrastructure to cause an ignition.

On September 23, the Commission discussed PG&E's EPSS program and on September 28, PG&E presented a follow-up to its September 8 presentation. As the lead CPUC division, SED will conduct an informal inquiry into PG&E's EPSS program.

On July 30, 2021, Governor Newsom issued an Emergency Proclamation urging all state energy agencies to ensure there is adequate electricity to meet the needs of Californians in 2022 in response to the August 2020 outages. The Commission had already opened Rulemaking 20-11-003 to Establish Policies, Processes, and Rules to ensure reliable electric service in the event an extreme heat storm in the summer 2021. Phase 2 addressed Summer reliability for 2022.

To prepare for 2022 Summer reliability, SED continues to review and adjust its generation audit program and increase coordination with external stakeholders and communities.

GAS SAFETY AND RELIABILITY BRANCH (GSRB)

The Gas Safety and Reliability Branch (GSRB) ensures that intra-state natural gas and liquid petroleum gas (LPG) pipeline systems are designed, constructed, operated, and maintained according to safety standards set by the CPUC and the federal government. CPUC gas safety engineers are trained and qualified by the federal government. The CPUC enforces natural gas and LPG safety regulations; inspects construction, operation, and maintenance activities; and makes necessary amendments to regulations. Its mission is to protect and promote the safety of the public and utility employees that work on the gas pipeline systems. September activities included:

- A. Meeting with Southwest Gas Leadership team
- B. Meeting with California Energy Commission (CEC) and California Geologic Energy Management (CalGEM) working group
- C. Meeting with Safety Policy Division (SPD) to discuss National Transportation Safety Board (NTSB) Professional Engineer (PE) Recommendation
- D. Meeting with Pipeline and Hazardous Materials Safety Administration (PHMSA) to discuss 2022 CPUC Inspection Plan

SED has the authority to issue citations with penalties for operator violations of public utility safety codes and requirements¹. The citation process allows the CPUC to act expediently in matters where violations of state and federal rules are clear and unambiguous. Citations may arise out of an ongoing investigation into related matters when a violation is brought to the CPUC's attention directly. The table below shows the status of pending citations issued by SED. The citations can be found on the CPUC's website [here](#).

| Citation Number | Utility | Amount | Violations per GO 112-F | Date Cited | Description | Status |
|-----------------|-----------------------|----------|---|------------|--|---|
| G-20-08-001 | Glenview Mobile Lodge | \$50,000 | 192.605(a), 192.605(b)(3), 192.616(j), 192.723(b)(2), 192.747(a), 192.805, 192.1015(a), 192.357(a), 192.479(a), & 192.353(a) | 8/24/20 | The MHP failed to remediate violations discovered during an inspection | Pending. Operator requested an Alternative Dispute Resolution (ADR). |

¹ In December 2011, the CPUC created a citation process authorizing staff to impose fines for natural gas violations.

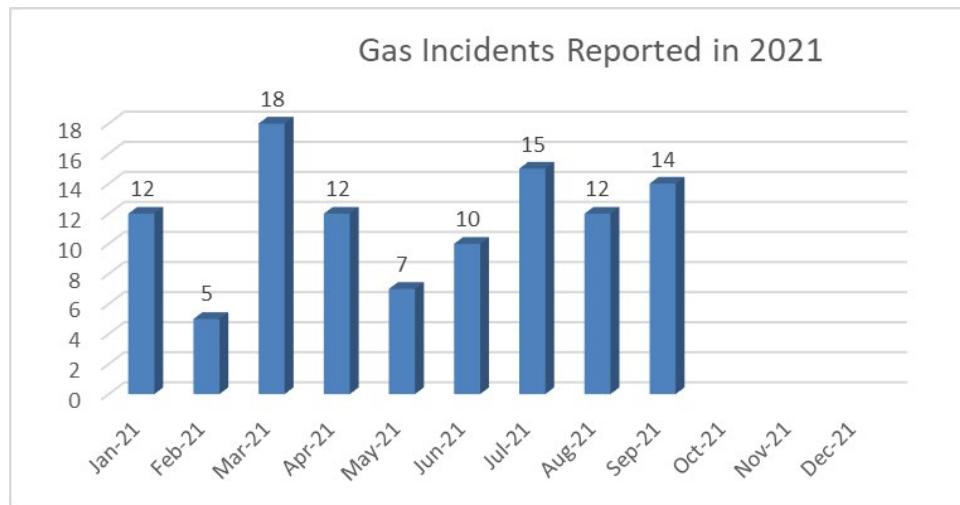
Natural Gas Inspections (Year to Date)

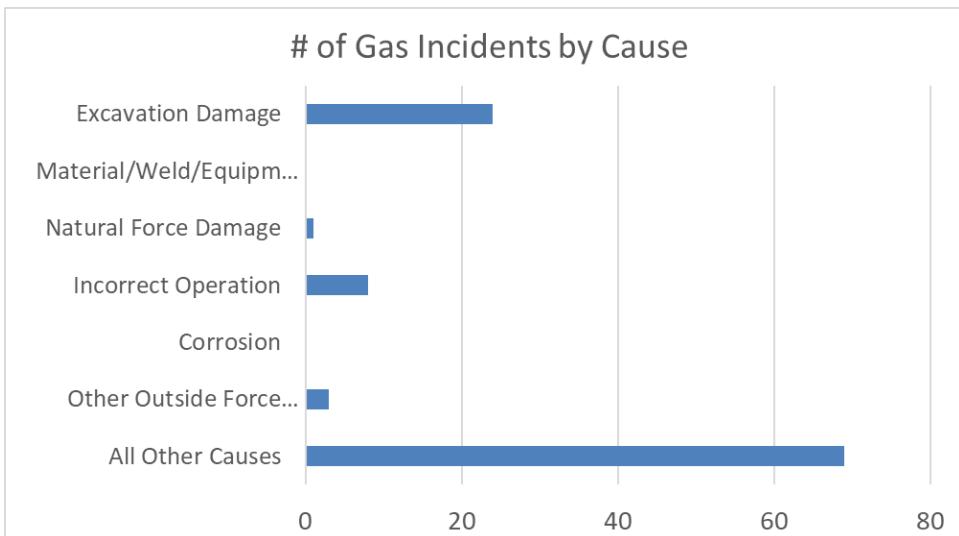
The purpose of GSRB's inspections is to confirm that operators continue to construct, operate, and maintain their pipeline facilities in a manner that ensures the safety of workers and the public. In addition to routine inspections, GSRB also conducts on-site construction inspections. Typically, each inspection consists of records review of an operator's past compliance activities, and field verifications. Results are documented in a final report and sent to the operator after the inspection. The expectation is to have a final report sent to the operator within 60 days of the inspection. GSRB will submit an Inspection Closure Letter to the operator within 120 days from the day the inspection is completed. The table below shows GSRB's inspection activity year-to-date in 2021.

| Inspections | 2021 Year-to-Date |
|------------------------|-------------------|
| Conducted | 30 |
| Final Report Completed | 22 |

Natural Gas Incident Reports and Investigations in September 2021

As of September 30, 2021, GSRB Staff has received reports of 105 incidents. All reported incidents are assigned to GSRB engineers to investigate and prepare a final report. The report indicates if there was any violation of GO 112F committed by the operators. Operators report incidents based on PHMSA guidelines.





This bar chart above shows the 105 incidents by cause as of September 30, 2021.

The table below shows the 105 incidents by level and status.

| Status | Level 1 | Level 2 | Level 3 | Level 4 | TOTAL |
|--------|---------|---------|---------|---------|-------|
| Open | 25 | 37 | 5 | 0 | 67 |
| Closed | 22 | 14 | 2 | 0 | 38 |
| TOTAL | 47 | 51 | 7 | 0 | 105 |

The table below provides a summary description of the levels and provides the timeframes/guidelines for incident reports to be completed and closed from the date of assignment of an investigation.

| Levels | Definition of Incident Levels | Guidelines |
|--------|--|------------|
| 1 | Did not result in injury, fatality, fire or explosion; may be due to an unrelated event outside of the Operator's control. | 60 days |
| 2 | Did not result in injury, fatality, fire or explosion; may or may not have caused a release of gas, have been reported due to Operator judgment. | 120 days |
| 3 | Resulted in a release of gas but did not result in injury, fatality, fire or explosion. | 150 days |
| 4 | Resulted in injury, fatality, fire or explosion caused by release of natural gas from the Operator's facilities. | ≥ 180 days |

Natural Gas Utility Self-Identified Violation (SIV) Investigations

There was one Self-Identified Violation reported to GSRB in September. SoCalGas reported incorrect phone numbers listed on distribution pipeline markers.

Customer Safety Complaints

GSRB received and investigated four (4) new customer complaints and inquiries in September.

Three (3) complaints and inquiries were closed without further action after GSRB addressed the customer's concerns. One (1) complaint dealing with whistleblower allegations was forwarded to ESRB for further investigation.

Inspection Notices / Notice of Probable Violation Letters (NOPV)

SED may issue an NOPV based on an investigation, customer complaint, or inspection for a violation of an applicable law or regulation. In September, GSRB issued 1 inspection notice and 2 NOPV letters (with 6 probable violations).

- September 10 – Southern California Gas Company's NW South Coast Distribution Districts - 2 probable violations found.
- September 15 – Sacramento Municipal Utility District's Damage Prevention Program inspection letter (recommended to PHMSA) - 0 probable violations found.
- September 24 – PG&E's Transmission Integrity Management Program inspection letter - 4 probable violations found.

Natural Gas Safety and Reliability: Proceedings

Also Canyon (I.19-06-016) (Commissioner Rechtschaffen / ALJs Hecht / Poirier) (SED Advocacy): Evidentiary hearings began on March 16, 2021. Please find proceeding highlights from the month of September 2021 below:

I. The Following Summarizes September Activities Arising from Discovery Issues Related to Southern California Gas Company's (SoCalGas) Well Kill Contractors, Boots & Coots

- On September 1, Cal Advocates filed a Motion requesting expedited treatment of its August 25, 2021 Motion to Compel SoCalGas to:
 - Produce Boots & Coots witnesses and data responses,
 - Provide all information regarding those efforts, and
 - Respond to outstanding and future data requests until the record in this proceeding is closed.

- The ALJs set a due date of September 8, 2021 for responses to Cal Advocates' August 25, 2021 Motion to Compel, and SoCalGas filed its response to Cal Advocates Motion on the required date.
- On September 20, 2021, Cal Advocates filed a reply to SoCalGas's objections to Cal Advocates' August 25, 2021 Motion to Compel.
- On September 28, 2021, SoCalGas filed a motion for leave to file a sur-reply to the reply of Cal Advocates' to SoCalGas's objections to Cal Advocates' August 25, 2021 Motion to Compel. The Administrative Law Judges denied SoCalGas' motion on September 30, 2021.

II. The Following Summarizes September Activities Arising from SoCalGas' Deposition of Mr. Randy Holter, SED employee

- On September 3, 2021, SoCalGas filed a request for additional activities or process based on the deposition of Mr. Randy Holter, as required by an August 10 Email Ruling from the Administrative Law Judges. SoCalGas' request included: (1) admit into evidence the final transcript, exhibits, and associated video recording of Mr. Holter's deposition; (2) a ruling on SoCalGas' Motion to Compel discovery from SED; (3) an order that Mr. Holter's deposition shall remain open pending SED's responses to outstanding discovery, (4) the option for SoCalGas to call witness(es) back for additional days of evidentiary hearing pending SED's responses to outstanding discovery.
- On September 8, 2021, SED filed a Motion to find SoCalGas in contempt of the Commission and in violation of Commission Rule 1.1. In this Motion, SED alleged that SoCalGas disregarded the Administrative Law Judges' (ALJs) ruling limiting the scope of a permitted deposition of SED employee, Mr. Randy Holter. Specifically, SED alleged that SoCalGas spent most of the six-hour allotted deposition time asking Mr. Holter questions about the Commission's jurisdictional authority and Commission procedures, not about what he observed as a percipient witness at the Aliso Canyon Storage Facility.
- On September 23, 2021, SED filed a Response to SoCalGas's September 3, 2021 filing requesting additional activities or process based on the deposition of Mr. Randy Holter. Also on September 23, 2021, SED filed a Motion to strike SoCalGas's filing from September 3, 2021, and to report violations of the Rules of Professional Conduct by SoCalGas' counsel to the State Bar of California. Among other things, SED alleged that SoCalGas asked unauthorized non-percipient questions in the deposition of Mr. Holter without counsel for Mr. Holter present.
- On September 23, 2021, SoCalGas filed a response to SED's September 8, 2021 Motion to find SoCalGas in contempt of the Commission and in violation of Commission Rule 1.1.

III. Status Conference

- On September 9, 2021, the Administrative Law Judges held a status conference regarding: (1) the status of Boots & Coots testimony and witnesses; (2) the Order to Show Cause on SoCalGas' alleged real-time reporting; and (3) issues related to Mr. Holter of the Safety and Enforcement Division.

Mobile Home Parks (MHP) Utility Conversion Program (D.20-04-004) (Commissioner Rechtschaffen /ALJ Hecht) (SED Advocacy): On April 24, 2020, the Commission issued Decision 20-04-004 which established the Mobile Home Park Utility Conversion Program which authorizes IOUs to install new gas and electric utility systems in mobile home parks to replace master-metered utility systems. The program goal is to convert 50% of all mobile home spaces by the end of 2030 according to a risk-based priority ranking system developed by GSRB. GSRB received forms of intent from 986 mobile home communities before the deadline on March 31, 2021. SED created a risk-prioritization list which included new applicants, and those parks still on the Pilot list from 2015, and ranked them according to their utility system's risk of failure. SED has delivered the priority lists to all participating investor-owned utilities, and the utilities are currently working with MHP Owners to plan and execute conversion projects. There are currently 586 "Category 1" parks, which have a total of 37,890 spaces. SED estimates the utilities will start the conversion process with these Category 1 Parks sometime before the second priority list is produced in July 2025.

PG&E Locate and Mark Practices OII (I.18-12-007) (Commissioner Rechtschaffen/ALJ Allen) (SED Advocacy): On February 20, 2020, the Commission issued Decision 20-02-036 which ordered several shareholder-funded gas and electric System Enhancement Initiatives. On August 21, 2020, SED selected a consultant for the Compliance and Ethics Corrective Action Program Audit. On October 15, 2020, SED selected a consultant for the Locate and Mark Compliance Audit and the Locate and Mark Field Audit. On November 17, 2020, PG&E submitted its proposed methodologies for SED's review and approval. On January 12, 2021, SED responded to PG&E's proposed methodologies review request. On February 4, 2021, PG&E informed SED about a request from their 3rd Party consultant for the Locate & Mark Field Audit to solicit input from another external party (Exponent) to further develop their sampling methodology. SED responded on February 4, 2021. PG&E submitted its first Locate and Mark (L&M) Annual Report in accordance with Commission Decision (D.) 20-02-036 on April 26, 2021. On June 4, 2021, the Locate and Mark Field Audit consultant submitted their methodology and SED approved this proposed methodology on July 13, 2021. The Locate and Mark Field Audit consultant has performed a pilot Locate and Mark Field Audit and implemented some improvements to the program that are described in a letter submitted to SED on August 25, 2021. On September 16, 2021, the Locate and Mark Field Audit consultant provided SED with the format of the Semi-Annual Report for the compliance audit using field reviews of a random sampling of gas and electric Locate and Mark tickets.

ELECTRIC SAFETY AND RELIABILITY BRANCH (ESRB)

The mission of ESRB is to enforce state statutes and regulations regarding the safety and reliability of electric facilities, communication facilities, and power plants that are within the jurisdiction of this Commission in California, to ensure that the facilities are operated and maintained in a safe and reliable manner to protect and promote the public health and safety, and to facilitate an environment inside and outside of the Commission that increases the safety and reliability of these facilities. September activities are below and include:

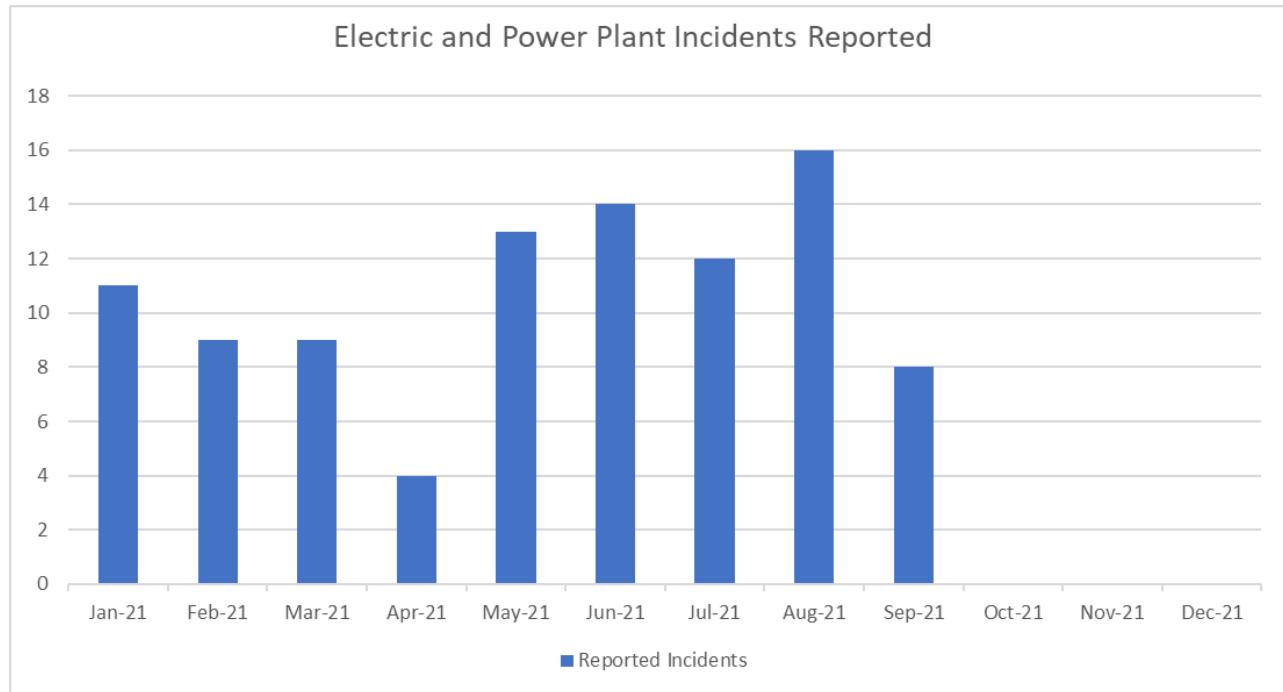
- Conducted 1 Electric Distribution audit, 1 Transmission audit, and 2 Power Plant audits.
- Issued 4 Electric Distribution audit reports, 1 Substation audit report, and 2 Communication Infrastructure Provider (CIP) audit reports.
- ESRB reviews daily outage reports from power plants. Outages could be forced or planned. ESRB reviews the status and cause of each outage, may issue data requests related to the status and cause of each outage, and will follow up with power plants regarding the outage as necessary. In September 2021, ESRB monitored the status of 9 planned outages and 92 forced outages reported by natural gas and renewable energy power plants.

Electric Facilities Citations

SED has the authority to issue citations with penalties for electric utilities and Communication Infrastructure Providers (CIPs) for violating Commission General Orders and PU Code rules. Citations may arise from violations discovered during incident investigations, audits, customer complaint investigations, whistleblower investigations, or other safety matters that are brought to the attention of SED. The table below shows the status of citations issued by SED in 2020. SED has not issued any citations in 2021 as of September 30, 2021. All SED citations related to electric and communication facilities can be found on the Commission's website [here](#).

| Citation Number | Utility | Amount | Violations | Date Cited | Description | Status |
|------------------------|---------|-------------|--|------------|--|----------------------|
| D.16-09-055E.20-12-001 | SCE | \$1,000,000 | GO 128, Rules 17.1 and 17.7. PU Code, Section 451 | 12/4/2020 | Failure to properly mark the location of SCE's underground facilities which resulted in one injury | Paid in January 2021 |

Electric and Power Plant Incidents Reported through September 30, 2021
ESRB received 7 electric incident reports and one power plant incident report in September.



Electric Facilities and Power Plant/Generation Incident Investigations

| Incident status | | Level 1 | Level 2 | Level 3 | Level 4 | Total ² |
|--------------------------------------|---------------------|---------|---------|---------|---------|--------------------|
| Total open incidents | Electric Facilities | 4 | 15 | 73 | 57 | 149 |
| | Generation | 1 | 1 | 6 | 0 | 8 |
| Total incidents reported in 2021 | Electric Facilities | 2 | 14 | 50 | 26 | 92 |
| | Generation | 1 | 1 | 3 | 0 | 5 |
| Total incidents closed in 2021 | Electric Facilities | 7 | 12 | 40 | 41 | 100 |
| | Generation | 0 | 0 | 1 | 1 | 2 |
| Total open 2021 incidents | Electric Facilities | 2 | 10 | 44 | 23 | 79 |
| | Generation | 1 | 1 | 2 | 0 | 4 |
| Incidents reported in September 2021 | Electric Facilities | 0 | 0 | 5 | 2 | 7 |
| | Generation | 0 | 0 | 1 | 0 | 1 |
| Incidents closed in September 2021 | Electric Facilities | 0 | 1 | 5 | 2 | 8 |
| | Generation | 0 | 0 | 0 | 0 | 0 |

The above table shows information about ESRB incident investigations as of September 30, 2021, and incidents reported and closed in September 2021. The level designation indicates increasing severity, with Level 4 as the most severe. See footnote 2 for definitions of each level. The guidelines to close incident reports are similar to those GSRB follows (see Guidelines table on p. 4).

² Level 1: A safety incident that does not meet Level 2, 3, or 4 criteria. Level 2: Incident involved a power interruption not due solely to outside forces (Level 2 for Generation: Incident that occurred during an Electric Alert, Warning or Emergency). Level 3: Incident involved damage estimated to exceed \$50,000 and caused, at least in part, by the utility or its facilities (Level 3 for Generation: Incident resulted in a significant outage that was due, at least in part, to plant equipment and/or operations). Level 4: Incident resulted in a fatality or injury requiring hospitalization and that was caused, at least in part, by the utility or its facilities or by equipment and/or operations (for Power Plants).

Customer Safety Complaints

ESRB investigated 25 electric and communication safety and reliability customer complaints.

Notice of Violation Letters

ESRB issued 4 Notice of Violation (NOV) letters in August. ESRB may issue an NOV in response to an investigation or customer complaint for a violation of an applicable law or regulation.

Electric Safety and Reliability: Proceedings

PSPS Order Instituting Investigation (I.19-11-013) (Commissioner Batjer/ALJ DeAngelis) (SED Advisory). This OII was initiated by the Commission on November 13, 2019, to determine whether California's investor-owned electric utilities prioritized safety and complied with the Commission's regulations and requirements with respect to their Public Safety Power Shutoff (PSPS) events in late 2019. This OII is a companion to R.18-12-005, the Commission's rulemaking to examine the practice of utility de-energization of powerlines during dangerous conditions. On November 16, 2020, parties filed reply comments regarding the Phase 2 Scoping Memo and Ruling. SED reviewed the reply comments and continues to provide advisory support. PG&E continues to file bi-weekly progress reports on PSPS corrective actions. On March 10, 2021, the ALJ send an e-mail ruling directing PG&E, SDG&E and SCE to file an accounting of PSPS events in the 2019 and 2020 calendar years, and how the PSPS events impacted revenue collections.

On June 3, 2021, the Commission approved Decision (D. 21-06-014) to address the late 2019 PSPS Events. It directs the three IOUs to forgo collecting a portion of their authorized revenue requirement from customers, hold utility working group meetings to share best practices and lessons learned to improve PSPSs, standardize 10-day post-event reporting, to improve communications with medical baseline customers dependent on electricity to survive, and other directives. On July 7, 2021, the Acton Town Council filed a Rehearing Request thus reopening this proceeding. Reopened.

PG&E Locate and Mark Practices OII (I.18-12-007) (Commissioner Rechtschaffen/ALJ Allen) (SED Advocacy): D. 20-02-036 approved several shareholder-funded gas and electric System Enhancement Initiatives but with a longer compliance audit period of four years and a \$110 million total penalty. In November 2020, ESRB staff reviewed PG&E's One Call Concepts Timely Ticket Review Methodology and PG&E's Field Review Methodology and provided comments to GSRB for consideration. On June 4, 2021, ICQ Professionals, LLC, submitted "Proposed Objectives, Methodology and Final Report Description for SED Consultation of Field Audits for Locate and Mark OII I.18-12-007 Settlement". This submittal starts the process of consulting with the CPUC/SED on the objectives, methodology, and the final product description of the Field Audit of PG&E's Locate and Mark Program by ICQ Professionals, LLC. The primary focus is to provide the sampling methodology that will be utilized to conduct this audit. In September, ESRB reviewed ICQ's field audit report. Pending.

SCE Appeal of Twentynine Palms Citation (K.18-03-008) (ALJ Kim) (SED Advocacy): ESRB investigated an incident that occurred on August 1, 2015, in Twentynine Palms. On February 12, 2018, SED issued a \$300,000 citation to SCE for violations related to the incident. SCE appealed the citation on March 14, 2018. On October 3, 2018, SED issued an \$8,000,000 amended citation that replaced the \$300,000 citation. The amended citation was the result of new violations. Hearings were held in December 2018, February 2019, and March 2019. Briefs and reply briefs were filed in April 2019. Awaiting a draft Resolution on the Twentynine Palms incident. Pending.

Creation of a Shared Database or Statewide Census of Utility Poles and Conduit (I.17-06-027); Communications Provider Access to Poles (R.17-06-028) (Commissioner Batjer/ALJ Mason) (SED Advocacy): In 2017, the Commission opened a proceeding to address the feasibility of establishing a data management platform for pole owners and tenants to access pole data, attachment and conduit data. This investigation is being conducted in three tracks. In the current phase of the proceeding, parties addressed requirements for pole attachments via comments and are awaiting a proposed decision. On December 15, 2020, the Assigned Commissioner's office issued a second amended scoping memo and ruling that outlined next steps in the consolidated Pole OII/OIR proceeding. On March 9, 2021, the ALJ issued a Ruling that requested parties to file comments by April 12, 2021, on a One-Touch-Make-Ready (OTMR) proposal. On August 20, 2021, the commission issued a proposed decision (PD) on Track 2 of the proceeding. The PD requires pole owners to include attachment data points in their pole databases and specifies rules for data management, access, and confidentiality. On September 9, 2021, SED filed opening comments on the proposed decision advocating for database pole terminology that was consistent with General Order 95, Commission clarity on the enforcement of rules, and shared responsibility among pole owners and attachers for the accuracy of pole database information. Pending.

Physical Security of the Electric System and Disaster and Emergency Preparedness (R.15-06-009) (Commissioner Rechtschaffen/ALJ Kelly) (SED Advocacy): On May 22, 2015, the Commission issued an OIR regarding policies and regulation of physical security for electric supply facilities and to establish standards for disaster and emergency preparedness plans. This rulemaking was conducted in two phases. Phase I addressed physical security for electric supply systems and was resolved by D.19-01-018. Phase II addresses disaster and emergency preparedness plans for electrical corporations and regulated water companies.

On July 1, 2020, the Safety Policy Division (SPD) submitted a letter dated June 26, 2020, from the Deputy Executive Director of SED and SPD to enact the Interim Trial Procedures (ITP) to allow Commission staff to receive major utility compliance deliverables. On July 10, 2020, the six IOUs submitted their Preliminary Assessments under the ITP process to SPD and subsequently presented their briefings regarding their Preliminary Assessment submissions to SPD and SED staff. Three IOUs submitted supplemental filings and met with SED and SPD to discuss their filings. On November 19, 2020, the Commission issued D. 20-11-048 which extended the statutory deadline for Phase II to May 30, 2021. On May 21, 2021, the Commission issued Decision (D.)21-05-019 which updates electric utilities' emergency plans under General Order (GO) 166 and water utilities under GO 103-A. Decision 21-05-019 incorporates requirements from PU Code 768.6 in Standard 14 of GO 166. The IOUs' Final Security Plans and the Publicly Owned Utilities' (POU) notice of final plan adoption were due July 2021, 30 months after the adoption 19-01-018. The Security Plans and Notices would be submitted to Safety Policy Division. No substantial updates for September 2021.

Other ESRB Activities

Resolution ESRB-9: On June 24, 2021, the Commission approved Resolution ESRB-9, which modifies the General Order 167 to allow Commission staff to issue citations for any violation of General Order 167 and aligns the General Order 167 citation process with an existing Commission electric citation program.

2019 Wildfires: In October 2019, California experienced devastating wildfires. In Northern California, the Kincade Fire burned more than 76,800 acres. The fire destroyed and damaged about 260 structures and caused injuries to two firefighters. In Southern California, the Saddleridge Fire, the Easy Fire, and the Maria Fire, burned more than 17,000 acres. The fires destroyed and damaged many structures and caused one fatality and 8 injuries to firefighters. SED is currently working closely with CAL FIRE and other agencies to investigate PG&E, SCE, and the communications companies' compliance with the Commission's safety rules.

2020 Wildfires: In 2020, California again experienced devastating wildfires. In Southern California, the Bobcat Fire, which started in September 2020 burned approximately 116,000 acres, damaged 47 structures, destroyed 170 structures, and resulted in 6 injuries. The Silverado Fire which started in October 2020 near Santiago Canyon Road and Silverado Canyon Road in the unincorporated area of Orange County, burned approximately 14,000 acres and injured two firefighters. ESRB and WSEB are working closely with CAL FIRE, the United States Forest Service (USFS) and other agencies to investigate SCE, and communications companies' compliance with the Commission's safety rules.

In Northern California, the Slater Fire started on September 9, 2020, in Butte County near the town of Happy Camp. The fire killed two people and injured three. It burned approximately 156,000 acres and damaged 197 residences and 243 structures. The Zogg Fire, which began on September 27, 2020, in Igo, Shasta County, resulted in four fatalities, one injury, 27 damaged structures and 204 destroyed structures.

2021 Wildfires: WSEB is currently investigating wildfires that are believed to be attributed to utility equipment. In Northern California, the Slope Fire began on May 31, 2021, in Fresno County. It burned 25 acres before being contained on June 2, 2021. The Blue Fire in the Sierra National Forest began on June 30, 2021. On July 13, 2021, the Dixie Fire began in Plumas County. Separately, the Fly Fire began on July 22, 2021, and quickly merged with the Dixie Fire. Both fires are currently under investigation. The Mule Fire started on August 25, 2021 in Shasta County and was contained.

Compliance with D.20-05-019 regarding PG&E's 2017 and 2018 Wildfires (I.19-06-015): On May 8, 2020, Decision 20-05-019 was issued approving a settlement agreement, with modifications, between SED, PG&E, Coalition of California Utility Employees (CUE), and the Office of Safety Advocates (OSA). On December 4, 2020, a Final Decision (D.20-12-015) was issued modifying D.20-05-019 and denying rehearing of D.20-05-019. In summary, the decision imposes penalties totaling \$2.137 billion consisting of \$1.823 billion in disallowances for wildfire-related expenditures, \$114 million in shareholder-funded System Enhancement Initiatives, and a \$200 million fine payable to the General Fund (the fine to be suspended). ESRB is monitoring PG&E's work to ensure compliance with the settlement agreement and D. 20-05-019. On February 12, 2021, and consistent with

D. 20-05-019, PG&E filed its first semi-annual report which provided updates and an overview of PG&E's progress on each of the 20 corrective actions in the settlement agreement.

On August 16, 2021, PG&E filed its second semi-annual report which provided updates and an overview of PG&E's progress on each of the remaining settlement initiatives that are pending.

Compliance with D.17-09-024 regarding Long Beach Incident: D.17-09-024 adopted a Settlement Agreement between SCE and SED. Under the settlement, SCE paid a \$4 million penalty and will spend \$11 million on various system enhancement projects in Long Beach intended to reduce the chance of public injury, reduce the risk of future system failures, and improve the utility's operational awareness and network maintenance. ESRB is monitoring SCE's work to ensure compliance with the settlement agreement.

Transmission Maintenance Coordination Committee (TMCC): TMCC is an advisory committee to help the California Independent System Operator (CAISO) develop, review, and revise Transmission Maintenance Standards. TMCC holds quarterly meetings to discuss recent improvements in construction and maintenance processes and techniques, and industry best practices. ESRB is a member of TMCC and attends meetings.

WILDFIRE SAFETY AND ENFORCEMENT BRANCH (WSEB)

SED's WSEB is dedicated to the enforcement of public utility wildfire safety and Public Safety Power Shutoffs (PSPS) violations. WSEB is the lead investigator for utility incidents relating to wildfire, PSPS events and other aspects related to wildfire events. The staff conducts incident investigations and provides input into policy development. September 2021 activities for WSEB include:

- Currently investigating a total of eleven (11) utility-related wildfires. Three (3) fire investigations were completed.
- Continued monitoring and coordinating the SCE PSPS Corrective Action Plan implementation.
- Participated in IOU PSPS/Wildfire meetings.

PSPS Activations, De-energizations & Post Event Reports - September 2021

| WSEB | PG&E | SCE | SDG&E | Bear Valley | Pacific Corp | Liberty |
|--|------|-----|-------|-------------|--------------|---------|
| Total PSPS Activations | 1 | 1 | 0 | 0 | 0 | 1 |
| Total PSPS w/ De-energization | 1 | 1 | 0 | 0 | 1 | 1 |
| Total PSPS Post Event Reports Reviewed | 1 | 0 | 0 | 0 | 1 | 0 |

PSPS Related Proceedings

Rulemaking to Examine Electric Utility De-Energization of Power Lines in Dangerous Conditions (R.18-12-005) (President Batjer/ALJ Poirier /ALJ Stevens/ALJ Kao/ALJ DeAngelis) (SED Advisory): This OIR was opened to further examine policies and guidelines adopted in ESRB-8 regarding communication, notification, mitigation and other logistic and implementation issues of a PSPS event. Currently, there are two tracks in this OIR:

1. Continued examination of utility de-energization/PSPS practices and guidelines.
2. An Order to Show Cause (OSC) for why PG&E should not be sanctioned for violations of P.U. Code 451, D.19-05-042 (Phase I) and ESRB-8 concerning three PSPS events in Fall 2019. Briefs were filed in 2020 and the Presiding Officer's Decision (POD) was issued on May 26, 2021.

The POD penalizes PG&E \$106.003 million for its flawed implementation of the Fall 2019 PSPS events, offset by bill credits PG&E has already provided to customers. The penalty includes a PG&E shareholder contribution of \$1.418 million to provide qualifying customers access to backup portable batteries, a bill credit to the general group of customers in the areas affected by the Fall 2019 PSPS events and to the Medical Baseline customers in those affected areas.

3. On February 19, 2021, the ALJ issued a Phase 3 Scoping Memo and Ruling to consider whether existing de-energization guidelines (Phase 2) should be further updated, or if new guidelines should be adopted in advance of the 2021 wildfire season. Comments and reply comments were submitted in March 2021.

On June 24, 2021, the Commission approved and adopted the Proposed Decision's Phase 3 PSPS Guidelines. A link to the Phase 3 Guidelines is [here](#).

4. On September 23, the Commission adopted Decision 21-09-026 that found violations including failure of PG&E's website, which was unavailable or non-functional during significant portions of the PSPS event; inaccurate online outage maps; inaccessible secure data transfer portals to its public safety partners; and failure to provide advanced notification of de-energization events to approximately 50,000 customers and 1,100 Medical Baseline customers during the three PSPS events in Fall 2019.

The Commission penalized PG&E \$106.003 million to deter future violations and demand accountability for PG&E's flawed implementation of the Fall 2019 PSPS events. The penalty will be offset by \$86 million for bill credits PG&E has already provided to some electric customers in 2019. The net penalty assessed on PG&E is \$20.003 million.

The penalty also includes a PG&E shareholder contribution of \$1.418 million to the PG&E's Disability Disaster Access & Resources Program, which provides qualifying customers access to backup portable batteries through grant, lease-to-own, or low-interest loan options; a PG&E shareholder-funded bill credit of \$12.185 million extended to all electric customers in the geographic areas affected by the Fall 2019 PSPS events; and a PG&E shareholder-funded bill

credit of \$6.4 million to the Medical Baseline customers in the geographic areas affected by the Fall 2019 PSPS events.

PSPS Order Instituting Investigation (I.19-11-013) (Commissioner Batjer/ALJ DeAngelis) (SED Advisory). This Investigation was initiated to determine whether the IOUs that experienced PSPS events in late 2019 prioritized safety and complied with the Commission's regulations and requirements in ESRB-8 and D.19-05-042 (Phase 1 PSPS Guidelines). A Proposed Decision was issued for public comment on April 20, 2021, with comments due May 10, 2021. On June 7, 2021, Decision 21-06-014 was approved by the Commission. On July 7, 2021, the Acton Town Council filed a Rehearing Request which reopened this proceeding.

In compliance with Ordering Paragraph 61 of Decision 21-06-014 in Investigation 19-11-013 and Decision 19-05-042 in proceeding R.18-12-005, a draft template prepared by SED to be used by electric investor-owned utilities when submitting post-event reports and lessons learned following a Public Safety Power Shutoff (PSPS) was sent out for comment on July 7, 2021. Comments were due August 6, 2021. Completed the comments review in September and revised the draft template based on comments.

Monitoring the Whistleblower Website and Safety Hotline

The Commission regulates privately owned utilities. It serves the public interest by protecting consumers and ensuring that utility services and infrastructure are safe, reliable, and available at reasonable rates. It is charged with ensuring that these regulated service providers comply with the regulations. Whistleblower complaints can result in investigations that may involve safety and other issues. In September 2021, no whistleblower complaints were submitted online to SED. SED received two inquiries from the Safety Hotline inbox.