

Rulemaking (R.) 20-07-013 Phase I Track 2

Technical Working Group (TWG) Kick-off Meeting

April 1, 2021

10:00 AM- 11:00 AM



California Public
Utilities Commission

Meeting Agenda

Purpose:

Safety Policy Division (SPD) will present the upcoming workplan and schedule to address Phase I Track 2 Safety and Operational Performance Metrics (SOMs) issues outlined in the November 02, 2020 Assigned Commissioner's Scoping and Ruling.

Expected Outcome:

Outline the scope of work, expected deliverables, and schedule.

Meeting Agenda

ITEM	TIME
Introductions	10:00 – 10:10 am
SPD Presentation on Track 2 Issues	10:10 am – 10:45 am
Workplan, Schedule, and Next Steps	10:45 am – 11:00 am

SCOPING MEMO QUESTIONS

Scoping Memo Questions

- (a) What safety and operational performance metrics should be developed pursuant to D.20-05-053 addressing PG&E's reorganization plan? What are appropriate criteria for selecting metrics as safety and operational performance metrics? What is the relationship and/or difference between safety metrics and operational metrics?
- (b) Should the safety and operational performance metrics apply to all IOUs? Are there variances regarding how these adopted metrics should be applied to individual IOUs? How should the Commission use adopted safety and operational performance metrics?
- (c) Should the Commission adopt performance criteria or targets for safety and operational performance metrics at the same time it adopts the metrics, or at a later time?

Scoping Memo Questions

- (d) Should the Commission refine any of the 26 safety performance metrics adopted in D.19-04-020? Should the Commission adopt additional safety performance metrics to those adopted in D.19-04-020?
- (e) Should the Commission develop a method to streamline safety performance metrics development and reporting across proceedings? If so, what methods should be considered?
- (f) D.20-05-053 states that the Commission “will consider metrics to measure PG&E’s quality of service and quality of management in the proceeding addressing safety and operational metrics.” [D.20-05-053 at 105.] Should the Commission adopt quality of service and management metrics for PG&E in this proceeding? If so, what are appropriate metrics? Are there other aspects of D.20-05-053 concerning metrics that should be clarified or implemented here, such as identifying a metric to assess levels of safety or risk-driven investments? [D.20-05-053, Appendix A at 2.]

SPD PERSPECTIVE ON SOMS

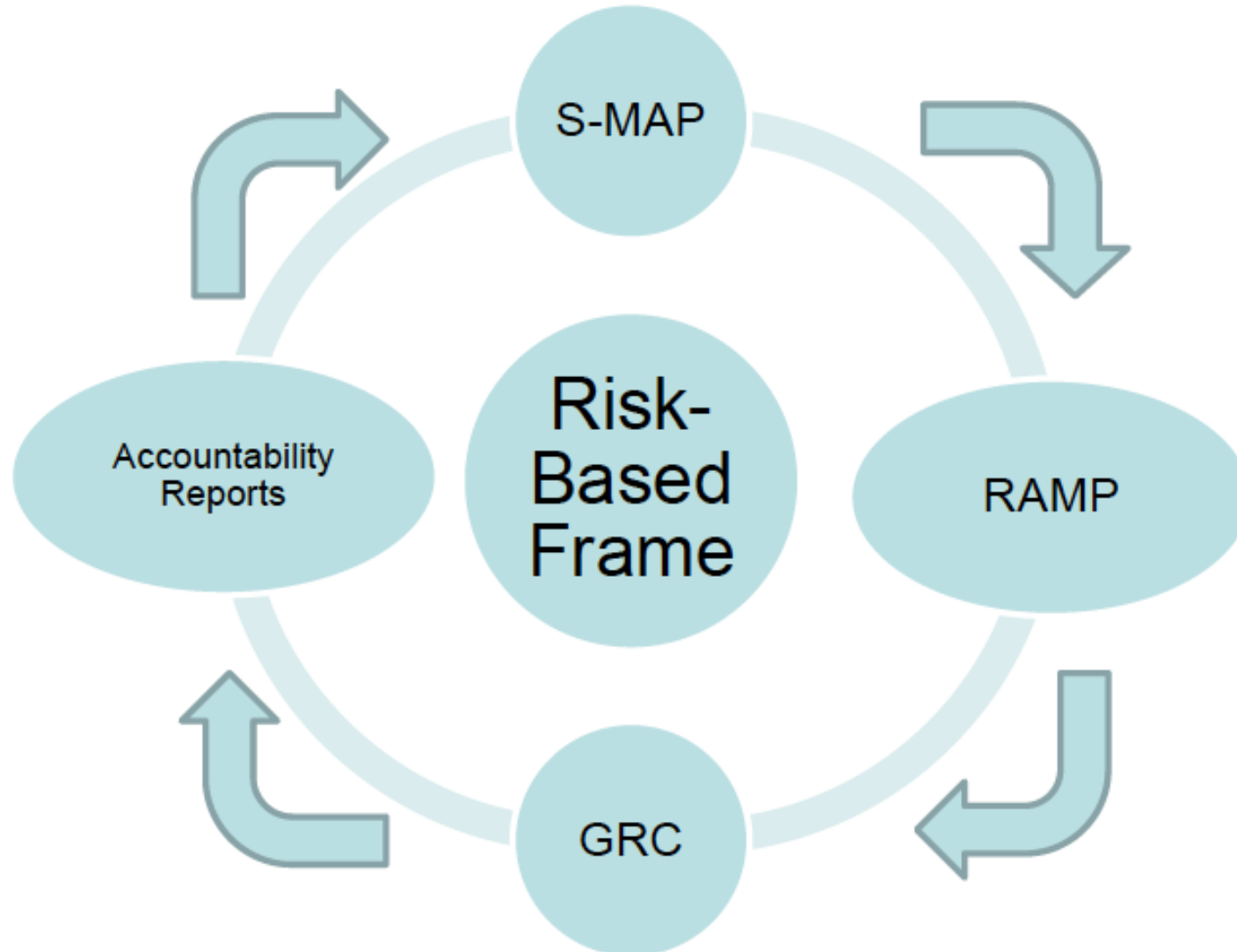
Purpose of Safety and Operational Metrics

D.20-05-053 Approving PG&E's Reorganization

5.1.7. Safety and Operational Metrics

ACR Proposal 7 calls for the development of safety and operational metrics. Under this proposal, PG&E would propose, in an appropriate proceeding, “[A]ttainable Safety and Operational Metrics that, if achieved, would ensure that PG&E provides safe, reliable and affordable service consistent with California’s clean energy goals.” Because these metrics would be developed in a future proceeding, we do not finalize them here, but rather provide guidance and direction for their development.

R.20-07-013 A.K.A. “the S-MAP OIR”



SOMs are intended to serve as “Enhanced Oversight and Enforcement” triggers

Step 1: “PG&E fails to comply with, or has shown insufficient progress toward, any of the metrics...contained within the approved **Safety and Operational Metrics**...” the Commission may order PG&E into Step 1 of the EOE process. (p. 2 of Appendix A).

Step 2: “PG&E fails to comply with electric reliability performance metrics, including standards to be developed for intentional de-energization events (i.e., PSPS) and any that may be contained within the approved **Safety and Operational Metrics**” (p. 3 of Appendix A).

Step 3: “The Commission determines that additional enforcement is necessary because of PG&E’s systemic non-compliance or poor performance with its **Safety and Operational Metrics** over an extended period.” (p.5 of Appendix A and .)

Other Step 1 triggers

- Failure to obtain an approved WMP
- Failure to comply with or show insufficient progress towards any metrics...
 - set forth in WMPs
 - PSPS protocols
 - resulting from Safety Culture Investigation
 - **contained in the approved SOMs**
 - related to other specified safety performance goals
- Insufficient progress toward approved safety or risk-driven investments
- Failure to comply with the requirements for emergence from bankruptcy

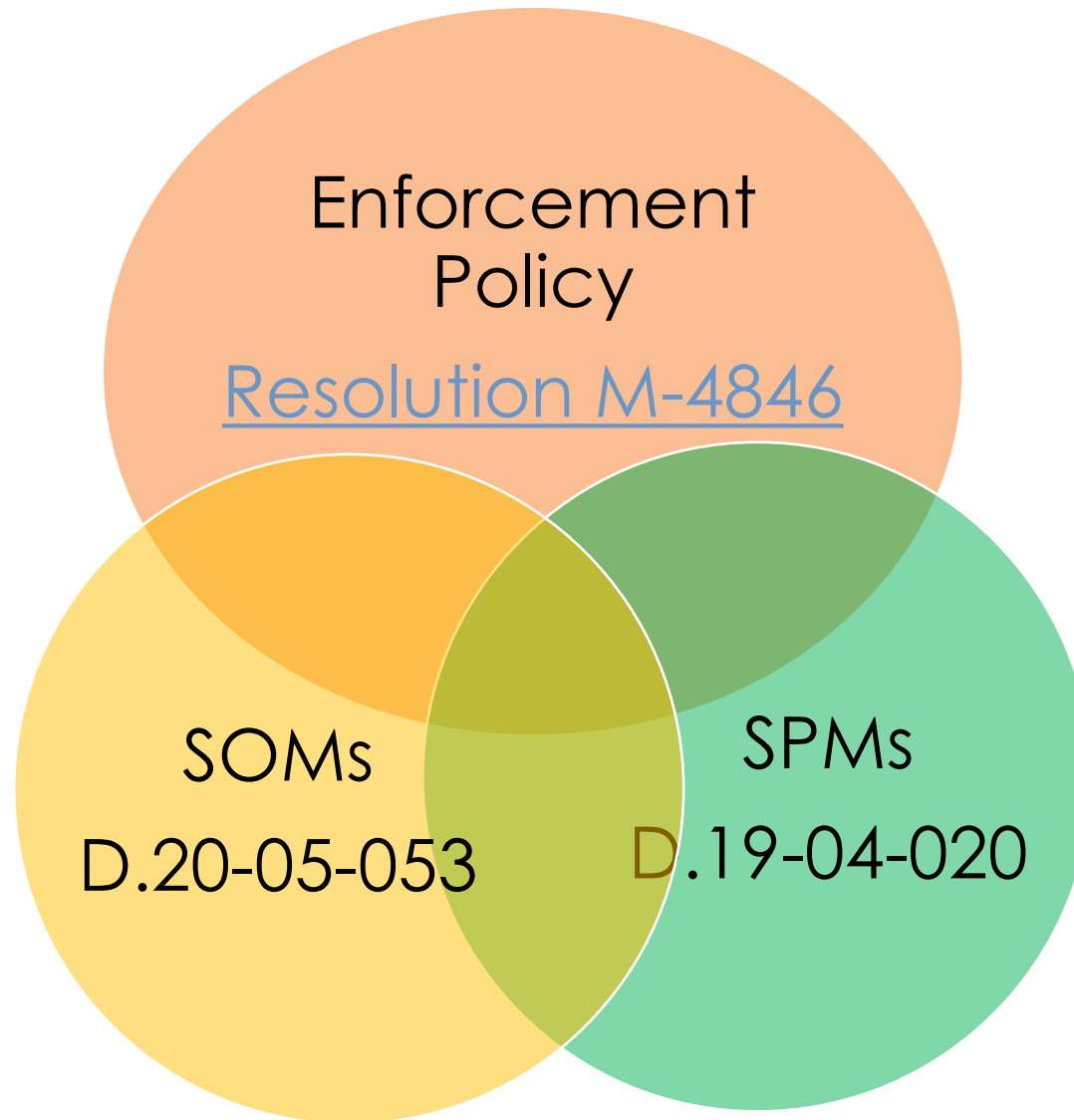
Safety Performance Metrics

D. 19-04-020

SPMs are primarily for oversight but may also be used for enforcement.

“We request that SED staff annually post on the Commission website each IOU Safety Performance Metrics report and SED’s Safety Performance Metrics review within 30 days of submitting its review. In addition, we request that SED convey the IOUs’ Safety Performance Metrics reports and SED’s reviews of them to the Electric Safety and Reliability Branch (ESRB) and the Gas Safety and Reliability Branch (GSRB) of the Commission, and that the ESRB and the GSRB consider information in the reports as they plan and execute their safety inspections and compliance audits.” p. 33

SPMs, SOMs, and Enforcement Policy



Considerations for Selection of SOMs

- Suitable for use as triggering events as specified in the Enhanced Oversight and Enforcement process
- Suitable to gauge the safety and operational performance of all gas and electric IOUs over time
- Outcome-based
- Objective
- Clearly defined
- Can be benchmarked against other utilities
- Auditable & enforceable (verifiable, consistently measurable over time)
- Existing historical data for setting baselines to compare future improvements
- Preferably leading indicators

TENTATIVE SCHEDULE AND NEXT STEPS

Tentative Schedule and Next Steps

- April 21, 2021: Informal distribution of Track 2 Staff Proposals to TWG subgroup for discussion.
- May 3, 2021: A TWG meeting for SPD to answer clarifying questions about its Track 2 Staff Proposal.
- May 10, 2021: Informal written comments due to SPD regarding the Track 2 Staff Proposal.
- End of May: Ruling providing Staff Proposals on Track 2 Safety and Operational Metrics (SOMs), and Safety Performance Metrics (SPMs) for party comment

(All dates are tentative and subject to change.)