BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA


R.15-06-009
(Filed June 11, 2015)

PACIFIC GAS AND ELECTRIC COMPANY (U 39E) ANNUAL REPORT IN COMPLIANCE WITH DECISION 19-01-018, ORDERING PARAGRAPH 31

COMPLIANCE PERIOD: APRIL 1, 2020 - MARCH 31, 2021

PUBLIC VERSION

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Dated: March 31, 2021
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PUBLIC VERSION

Pursuant to the California Public Utility Commission’s (CPUC’s) D.19-01-018, Ordering Paragraph 31, relating to Physical Security for Electric Supply Facilities, PG&E hereby submits this annual report on Physical Security Incidents. This report documents physical security incidents which occurred during the compliance period April 1, 2020 through March 31, 2021. However, the information reported between March 15, 2021 and March 31, 2021, is provisional, based on information known to PG&E by the date of this report. Incidents may have occurred during this period. PG&E will submit an updated report only if there is any new information to report during the reporting period from March 15, 2021 to March 31, 2021.

PG&E is providing this redacted version of the report for the public to be posted on the Commission’s web site. The confidential portion of this report will be made available to the appropriate staff at the Commission and will be further detailed with an in-person meeting to ensure compliance with the Phase I Decision mandates.

I. EXECUTIVE SUMMARY

The Discussion section of this report is comprised of three sections which address the
reporting requirements described in the CPUC’s D.19-01-018, Ordering Paragraph 31. Section A provides a short summary of what the OE-417 report is and how many were submitted to the U.S. Department of Energy during the reporting period described in this report. To support the third section of the report, PG&E is submitting one confidential attachment which contains all twenty (20) of the OE-417 reports submitted to the Commission between April 1, 2020 through March 31, 2021, and subject to the qualifier referenced earlier. Section B consists of a description of any physical security incidents resulting in a utility insurance claim, providing a description of the incident including location, impact on infrastructure, and amount of claim. The physical security incidents that occurred in the compliance period did not exceed the large self-insurance retentions that PG&E maintains. Section 3 includes significant changes to the Security Plan Reports, including any new facilities that are covered by the plan, or any major upgrades made to previously identified facilities. Since the Security Plan Report is not yet due, PG&E has no significant changes to report.

II. BACKGROUND

As a result of the April 2013 rifle attack combined with the August 2014 burglary taking place in PG&E’s Metcalf Substation, which is located south of San Jose, the CPUC made changes to the Public Utility Code § 364(a) addressing the vulnerability of electrical supply facilities to physical security threats. Since the approval of Senate Bill (SB) 699 in September 2014 the Commission issued an Order Instituting a Rulemaking to establish policies, procedures and rules for the regulation of physical security risks to the electric supply facilities of electric utilities consistent with the Public Utility Code § 364 (Phase I). SB 699 amended Public Utility Code § 364 and required the Commission to develop rules for addressing physical security risks to the distribution systems of electrical corporations. As a result, SB 699 language amended the Public Utility Code § 364 with new and pertinent codes.

The Commission held its initial prehearing conference on October 2015 which through Commission rulings, workshops and other regulatory considerations culminated into the Phase I Physical Security Decision in D.19-01-018 dated January 10, 2019 (“Decision”).
Among other things, the Decision ordered the utilities to provide to the Director of the Safety and Enforcement Division and the Director of the Energy Division copies of all OE-417 reports submitted to the U.S. Department of Energy (DOE) within two weeks of filing with the U.S. DOE. Pursuant to Ordering Paragraph 31, the Decision ordered all CPUC jurisdictional utilities to submit an annual report by March 31 each year, starting on March 31, 2020.

III. DISCUSSION

The Discussion section of this report includes three subsections which address the report requirements set forth in D.19-01-018.

A. OE-417 Reports Submitted With This Annual Report.

According to the DOE – Office of Electricity, the Electric Emergency Incident Disturbance Report (Form OE-417) provides the DOE information on electric incidents and emergencies on electric power system. The Form OE-417 is a mandatory emergency form which is completed by entities within the electric power industry. The DOE uses the data to fulfill its overall national security and other energy management responsibilities, and for analytical purposes. In addition, the filing of the Form OE-417 allows the DOE to quickly respond to energy emergencies. PG&E submitted twenty (20) OE-417 reports to the Commission during the compliance period between April 1, 2020 through March 31, 2021 and subject to the qualifier referenced earlier.

There are the alert types on Form OE-417:

1. Emergency Alert – File within 1-hour
2. Normal Report – File within 6-hours
3. System Report – File within 1-Business days

There are various criteria that fall under each of the alerts above, for example, one of the criteria for Emergency Alert is Cyber event that causes interruptions of electrical system operations. Depending on the criteria, additional information needs to be provided by the entity completing the form such as:
• Incident and Disturbance Data
  o Geographic Area Affected
  o Date/Time of Incident Began and Ended
  o Estimate of Amount of Demand Involved
  o Estimate of Number of Customers Affected
• Type of Emergency
  o Cause
  o Impact
  o Action Taken
• Narrative Description
  o Name of Official to be Contacted
  o Description of the incident
  o Name of Assets Impacted

A final report is submitted within 72-hours of the incident. In the event of an incident or disturbance that meets any of the criteria for alerts, no exclusions for electric utilities are allowed and all items on Form OE-417 must be completed.

The OE-417 reports in this report are based on the final documents submitted to the CPUC and DOE.

B. Utility Insurance Information

PG&E maintains first-party property insurance to limit financial exposure for unforeseeable losses of its assets due to catastrophes such as fires, earthquakes, floods, or catastrophic operational losses. The Company also maintains liability insurance to protect against third-party claims. PG&E maintains large self-insured retentions under many of its insurance programs. The Company’s current self-insured retentions for liability insurance are $10 million (non-wildfire) and $60 million (wildfire). PG&E’s current self-insured retentions for property insurance are $250K for losses at the General Office Complex, and $50 million
for losses at all other locations (except for loss caused by equipment breakdown which is subject to a $10 million self-insured retention).

During the compliance period of April 1, 2020 through March 31, 2021, PG&E did not experience any physical security incidents that resulted in a submission of an insurance claim to PG&E’s insurers. The physical security incidents that occurred in the compliance period did not exceed the large self-insurance retentions that PG&E maintains.

C. Changes to Security Plan Reports

To meet the reporting requirement introduced in SB 699 in Public Utility Code § 590, these annual reports are required to include any significant changes to the Security Plan Reports (including new facilities covered by the Plan or major mitigation upgrades at previously identified facilities). In recognition that the first Security Assessment Plan Report is due on July 10, 2021, PG&E does not have an update to provide in this annual report.

Respectfully submitted,

By: /s/ Grant Guerra

Grant Guerra

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Attorney for

March 31, 2021
PACIFIC GAS AND ELECTRIC COMPANY
ATTACHMENT A
TO PACIFIC GAS AND ELECTRIC COMPANY’S
ANNUAL REPORT IN COMPLIANCE WITH DECISION
D.19-01-018, ORDERING PARAGRAPH 31
At 15:37 on September 15, 2020, a circuit breaker tripped creating an island condition. The island consisted of a generator serving customer load.

During a scheduled clearance on PG&E’s data network data was interrupted due to complex factors. PG&E’s GCC monitoring and control of the transmission grid capabilities

At 08:21 on August 17, 2020 a transmission line islanded.

Beginning August 18, 2020, there were lightning events system-wide, resulting in the loss of more than 50,000 customers for more than 1 hour starting at approximately 22:40 on September 7th.

There were numerous biller's during this lightning event, where the number of customers without interruptible service exceeded 10,000 for more than 1 hour.

While performing the transmission switching transformer banks were de-energized and created an island due to work procedure error. The island rapidly became unstable returning system to normal and ending the island condition.

Rain and lightning were reported in the vicinity of PG&E facilities. Substation serving 6814 distribution customers islanded. All lines were returned to normal by 17:35.

At 18:43 PST, CAISO provided approval to PG&E to begin restoration all firm load that has been de-energized.

At 19:52, PG&E is informed by the CAISO, no additional firm load is required and PG&E begins restorations all firm load that has been de-energized.

At 19:15, PG&E initiated its Energy Emergency Plan for rotating outages on distribution circuits throughout the service territory.

Prior to the EEA activation, PG&E's demand response program issued a Base Interruptible Program (BIP) event.

At 20:38, CAISO terminated the Stage 3 System Emergency Notice activation.

At 20:38, CAISO terminated the Stage 1 System Emergency Notice activation.

At 20:38, PG&E’s Real Time Control Center engaged all interrupted load.

Prior to the EEA activation, PG&E’s demand response program issued a Base Interruptible Program (BIP) event.

Islanded substation including equipment on Shutoff Power Public

At 08:21 PST - 14:18 PST

August 16, 2020: 17:42 PST - 20:17 PST

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At 15:53 on September 15, 2020, the generator was forced offline, thereby de-energizing the transmission lines, terminating the island.
At 10:02 on September 22, 2020, two circuit breakers tripped creating 2 separate islands.

The first island was created by a transformer bank fault. Island was restored the same day. T-Lineman confirmed no customers were impacted. T-Lineman spent approximately one hour making it safe and future repairs will be scheduled. There were no flashmarks as valuable as regular copper. The suspect likely abandoned his efforts. No evidence of greater attempt to do damage as another box containing a switch was left untouched or tampered with.

The second island was created at the same transformer bank and was isolated. Island was restored approximately 21:14 PST on January 28th. The peak number of customers without electric service was approximately 255,715. The number of customers without electric service dropped below 50,000 at approximately 01:57 on September 23rd.

The number of customers without electric service dropped below 50,000 at approximately 02:48 PST on October 25th.

On October 15th, at 15:37, more than 50,000 customers lost power due to weather and implementation of PG&E’s Public Safety Power Shutoffs (PSPS) event due to high fire danger.

These interruptions resulted in the loss of electric service to more than 50,000 customers for more than 1 hour starting at approximately 16:27 on September 22nd.

Overall, the system-wide number of customers impacted by the PSPS event and other system outages (this includes transmission assets impacted by fire alone) was approximately 240,470 customers. The number of customers without electric service dropped below 50,000 at approximately 09:48 on October 25th.

The peak number of customers without electric service was approximately 124,888. The number of customers without electric service dropped below 50,000 at approximately 09:48 on October 25th.

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<table>
<thead>
<tr>
<th>Date of Incident</th>
<th>Location</th>
<th>Type of Incident</th>
<th>Cause</th>
<th>Impact</th>
<th>Action Taken</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/22/2020</td>
<td>Alameda</td>
<td>Island</td>
<td>Transformer Bank Fault</td>
<td>Less than 50,000 customers</td>
<td>Repair and Restore</td>
<td>Island was restored approximately 21:14 PST on January 28th. The peak number of customers without electric service was approximately 255,715. The number of customers without electric service dropped below 50,000 at approximately 01:57 on September 23rd.</td>
</tr>
<tr>
<td>10/15/2020</td>
<td>Napa</td>
<td>Island</td>
<td>Transformer Bank Fault</td>
<td>More than 50,000 customers</td>
<td>Repair and Restore</td>
<td>Island was restored approximately 09:48 on October 25th. The peak number of customers without electric service was approximately 124,888. The number of customers without electric service dropped below 50,000 at approximately 09:48 on October 25th.</td>
</tr>
<tr>
<td>10/25/2020</td>
<td>Napa</td>
<td>Island</td>
<td>Transformer Bank Fault</td>
<td>More than 50,000 customers</td>
<td>Repair and Restore</td>
<td>Island was restored approximately 09:48 on October 25th. The peak number of customers without electric service was approximately 124,888. The number of customers without electric service dropped below 50,000 at approximately 09:48 on October 25th.</td>
</tr>
<tr>
<td>10/25/2020</td>
<td>Santa Rosa</td>
<td>Island</td>
<td>Transformer Bank Fault</td>
<td>More than 50,000 customers</td>
<td>Repair and Restore</td>
<td>Island was restored approximately 09:48 on October 25th. The peak number of customers without electric service was approximately 124,888. The number of customers without electric service dropped below 50,000 at approximately 09:48 on October 25th.</td>
</tr>
</tbody>
</table>