

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Further
Develop A Risk-Based Decision-Making
Framework for Electric and Gas Utilities.

Rulemaking 20-07-013
(Filed July 16, 2020)

**THE PROTECT OUR COMMUNITIES FOUNDATION
COMMENTS ON FINAL WORKSHOP REPORT**

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Dated: March 25, 2021

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As discussed at the February 9, 2021 combined Rate Case Plan Workshop 4 required by D.20-01-002 and Risk-Based Decision-Making Framework Rulemaking Track 3 Workshop in R.20-07-013 (Workshop), and as set forth on Slide 47 of the workshop presentation attached as Appendix A to the General Rate Case Plan Workshop #4 Report (Final Report) emailed on March 11, 2021 by Darleen Evans, San Diego Gas & Electric (SDG&E), to the service lists of R.13-11-006 and R.20-07-013, The Protect Our Communities Foundation (PCF) submits the following comments on the Final Report.

I. ADAPTING TO CLIMATE CHANGE MUST AVOID EXACERBATING CLIMATE CHANGE.

PCF supports Cal Advocates' recommendation to incorporate climate change vulnerability assessments in RAMP reports. PCF points out that climate science and directives by the California Governor and Legislature¹ require serious reductions in greenhouse gas emissions by the utilities in order to avoid the most devastating climate change impacts. Utility operations that contribute to and intensify climate change (e.g., increasing fossil fuel use, failing to prevent methane leaks, eliminating healthy trees, etc.) remain a direct risk to public safety. Discussions about adapting to climate change must focus on solutions that avoid exacerbating climate change.

II. THE FINAL REPORT DOES NOT ACCRUATELY INCORPORATE ALL OF PCF'S REQUESTED EDITS TO THE DRAFT REPORT.

Although the Final Report incorporates many of PCF's requested edits, others were not included or were described inaccurately.² For example, PCF requested that the Final Report avoid giving the misimpression that a party must expressly comment during workshops if it disagrees with the utilities. While the Final Report nominally included PCF's requested edit that "No conclusion should be drawn regarding concerns not raised at RCP Workshop #2,"³ it also erroneously suggests that PCF did not participate in the February 9 workshop.⁴ In fact, a PCF representative attended the entire workshop and sought and received confirmation that the process allowed for incorporation of comments on the draft report in the Final Report.⁵

¹ See e.g. Health & Saf. Code, § 38566; Executive Order B-55-18.

² The Protect Our Communities Foundation Comments on Draft Report for Integration in Final Report Required by D.20-01-002 (March 4, 2021) (PCF's Comments on Draft Report) (March 4, 2021) are attached hereto as Appendix 1.

³ Final Report, p. 6.

⁴ Final Report, p. 1.

⁵ As PCF explained, often insufficient time and opportunity during a workshop exists for all concerns to be raised by all parties. Other times, a party may wish to confirm the historical and legal accuracy of its position or seek feedback from others before communicating with the larger group. Parties should not be

A. The Report Should Include the Background PCF Provided About Why Authorized Amounts and Not Imputed Amounts Should be Used in the RSAR.

PCF provided background regarding the genesis of using “imputed” amounts in the RSAR instead of using the amounts actually authorized, as required.⁶ PCF explained that SDG&E and SoCalGas “imputed” authorized amounts from D.19-09-051 for the activities listed in the RSAR because they failed to include sufficient risk-related information in their TY2019 GRC application so that the Commission could determine in D.19-09-051 “what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent.”⁷

B. PCF Agrees With the Energy Division that the Utilities Should Present Activities in the Same Manner in Both the GRC and the RAMP.

PCF agrees with the Energy Division that the utilities should present activities in the same manner in both the GRC and the RAMP.⁸ The Final Report mistakenly argues that “the IOUs have not received feedback that IOU organizational differences present any barriers to assessing utility showing or finding items within the showing.”⁹ PCF has in fact raised concerns about the purported “organizational differences” among the utilities.¹⁰ PCF explained that the fact that SCE “has no gas business” provides no meaningful justification for not standardizing RAMPs across the utilities. PCF provided the example that SDG&E and SoCalGas file a joint RAMP report even though SoCalGas does not include a wildfire mitigation chapter because the wildfire mitigation statutes only apply to the electrical utilities. PCF also detailed its support for standardizing RAMP to GRC integration requirements across utilities.

penalized for lack of a meaningful opportunity to state their position during the workshop, and PCF submits that properly analyzed and vetted comments should be encouraged. PCF’s Comments on Draft Report, p. 4.

⁶ Final Report, p. 9.

⁷ D.19-09-051, p. 23; PCF’s Comments on Draft Report, p. 6.

⁸ PCF’s Comments on Draft Report, p. 4 [section 5.1 of the draft report located at final report section 6].

⁹ Final Report, p. 6.

¹⁰ PCF’s Comments on Draft Report, p. 4-5; *see also* Final Report, p. 7.

Standardizing could accelerate RAMP to GRC integration compliance by SDG&E and SoCalGas, who unlike their peers were not required to conform to the full requirements of D.16-08-018 when filing their first RAMP report in 2016.¹¹ As a result answers to the “core questions of what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent” required by the RAMP decisions were “not readily available” to the Commission when deciding D.19-09-051.¹²

C. This Proceeding Should Not Be Used to Avoid Requirements of Orders the Commission Issued in Other Proceedings.

The Final Report failed to delete, as requested by PCF, the suggestion by SDG&E and SoCalGas that “some of the comments received in RAMPs (particularly where comments conflict with each other) would be better addressed in a statewide proceeding, such as the S-MAP forum, rather than in a utility-specific GRC.”¹³ The Final Report also refused to incorporate PCF’s objection to the inclusion in the report of the above-quoted suggestion by SDG&E and SoCalGas as procedurally improper and a violation of Commission rules and principles of due process. The fact remains that SDG&E and SoCalGas have been ordered to address the deficiencies identified by the parties in I.19-11-010 and I.19-11-011,¹⁴ and the Final Report should note this fact. Attempts to avoid the directives in D.20-09-004 via this proceeding would not comport with Commission rules, would be inappropriate and would violate applicable legal requirements and fundamental principles of due process.

¹¹ D.16-08-018, p. 153, 196 (OP 9).

¹² D.19-09-051, p. 23 (“...we expect that future RAMP integration in future GRC filings will provide better answers to the core questions of what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent. Answers to those questions are not readily available to us here.”); *id.* at p. 762 (Conclusion of Law 3, 4).

¹³ Final Report, p. 12; PCF’s Comments on Draft Report, p. 8.

¹⁴ D.20-09-004, p. 17 (Finding of Fact 14); *id.* at p. 18-19 (Ordering Paragraph 1: ordering the utilities to “address and consider in their next Risk Assessment Mitigation Phase (RAMP) applications, the comments and suggestions by intervenors regarding the 2019 RAMP Report...”).

D. Programs Must Be Traceable from the RAMP to the GRC to the RSAR.

The Final Report failed to include PCF’s concerns regarding SDG&E’s and SoCalGas’ response to ALJ Fogel’s question about “why the RAMP estimates are different from the GRC forecasts.”¹⁵ SDG&E and SoCalGas should not be presenting their costs in their upcoming TY2024 GRC by “organization” instead of by program. Since 2014, the Commission has been clear and has required that programs should be traceable from the RAMP to the GRC to the RSAR.¹⁶ The very purpose of the RAMP is to *facilitate* GRC review and ensure that “safety considerations are being considered in the utility’s GRC filing in an open and transparent manner.”¹⁷ Although in the past SDG&E and SoCalGas have failed to include sufficient risk related information to allow the Commission to answer the fundamental questions about “what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent,” going forward SDG&E and SoCalGas are required to adhere to all of the Commission’s requirements, and programs should be traceable from the RAMP to the GRC.¹⁸

Additionally, the Final Report describes PCF’s position as disagreeing with the staff but failed to incorporate PCF’s rationale or the appropriate context.¹⁹ PCF explained the purpose of a RAMP is to provide a forum for evaluation of a utility’s approach to risk “and to determine whether the elements contained in the RAMP submission can be used in the utility’s GRC filing to support its position on the assessment of its safety risks, and its plans to manage, mitigate, and minimize those risks in the context of the utility’s upcoming GRC application filing.”²⁰

¹⁵ Final Report, p. 13; Draft Report, p. 11; PCF’s Comments on Draft Report, p. 9.

¹⁶ *See e.g.* D.14-12-025, p. 44.

¹⁷ D.14-12-025, p. 39.

¹⁸ *See e.g.* D.19-09-051, p. 23; *id.* at p. 762 (Conclusion of Law 4); D.20-09-004, p. 19 (OP 1).

¹⁹ Final Report, p. 14.

²⁰ PCF’s Comments on Draft Report, p. 7 (citing to D.14-12-025, p. 52 (Finding of Fact 26)).

E. Increased Public Focus on Risk Likely Results from Utility Related Disasters in Addition to the S-MAP Settlement Agreement.

PCF commented²¹ that in addition to the Commission’s approval of the S-MAP settlement agreement adopted in D.18-12-014, the increased interest in risk-related decisions-making likely resulted from the utilities’ 2019 Wildfire Mitigation Plans (WMPs) which failed to meet the Commission’s minimum risk assessment standards. The Commission described the risk assessments in the utilities’ WMPs as a ‘black box’ which did not meet the Commission’s minimum requirements,²² and ordered the electrical utilities in the future to comply with the Commission’s S-MAP and RAMP decisions as required by the wildfire risk mitigation statutes.²³ PCF’s comments highlight the practical implications of this proceeding on the daily lives of ratepayers and the public at large.

III. CONCLUSION

PCF requests that the Final Report be revised and that all of PCF’s comments described herein and in the attached report be considered.

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March 25, 202

²¹ PCF’s Comments on Draft Report, p. 2-3.

²² D.19-05-036, p. 29, fn. 42 (“Most of the IOU WMPs justify inspection and hardening program proposals as being informed by an internal risk assessment. ...that risk assessment is often a black box with insufficient description of the supporting information and rationale for proposed programs. Future filings should provide documentation of the risk analysis used to justify the proposals. A ‘trust us, we know what we are doing’ approach to risk assessment is not appropriate given recent wildfire activity.”).

²³ D.19-05-036, p. 29 (“Including such analysis in the WMPs would provide the Commission a transparent and effective way to balance overlapping programs in the WMP and assess which programs are needed and effective. As stated above, the statute requires “all relevant wildfire risk and risk mitigation information that is part of the Safety Model Assessment Proceeding and Risk Assessment Mitigation Phase filings.” This quantitative information is relevant, and the process of conducting these analyses may allow stakeholders to better understand the cost effectiveness of proposed mitigations.”).

ATTACHMENT 1

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IN FINAL REPORT REQUIRED BY D.20-01-002**

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Dated: March 4, 2021

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COMMENTS ON DRAFT REPORT FOR INTEGRATION
IN FINAL REPORT REQUIRED BY D.20-01-002**

As requested in the February 25, 2021 email from Jamie York, Regulatory Case Manager, San Diego Gas & Electric (SDG&E) and Southern California Gas Company (SoCalGas) to the service lists of R.13-11-006 and R.20-07-013, and as discussed at the combined Rate Case Plan Workshop 4 required by D.20-01-002 and Risk-Based Decision-Making Framework Rulemaking Track 3 Workshop in R.20-07-013, held on February 9, 2021. The Protect Our Communities Foundation (PCF) submits the following comments and edits to the draft report circulated by Ms. York for integration in the final report.

For ease of incorporation in the final report, PCF provides the following comments and edits in the order they appear in the draft report circulated by Ms. York on February 25, 2021. Additionally, to facilitate preparation of the final report, PCF makes explicit where PCF provides an edit for direct incorporation in the final report, and where PCF provides comments for the Energy Division's and the drafter's consideration for inclusion in the final report.

3. Background.

Edit: After the second sentence, please add the following sentence: "To implement this change, the TY2019 GRC cycle for SDG&E and SoCalGas was extended to a five-year cycle."

4. Workshop

4.1 ED and SPD Lessons Learned

Comment: The draft report states that "For ED's lessons learned, they described that while the RDF was being developed in the first S-MAP, parties to the proceedings were partially informed of how risk-related decisions were made but the general public was not particularly informed. With the approval of the S-MAP settlement agreement, adopted in D.18-12-014, ED explained that there has been a noticeable uptick in interest and understanding on how the Commission has made its decisions." PCF submits that the adoption of Senate Bill 901 in 2018 and the Commission's 2019 findings that the utilities' 2019 Wildfire Mitigation Plans failed to meet the Commission's risk assessment standards more likely explains the increased interest and understanding in how risk-related decisions are made. Senate Bill 901 amended the wildfire risk mitigation statutory scheme and expressly required the electric utilities "to include all relevant wildfire risk and risk mitigation information" required by the S-MAP and RAMP decisions.¹

¹ See D.19-05-036, *Guidance Decision on 2019 Wildfire Mitigation Plans Submitted Pursuant to Senate Bill 901* (May 30, 2019), Appendix A, p. A2; SB 901 (2018).

Edit: Please include the following somewhere in 4.1 or in a new section 4.2: “PCF submits that increased interest in risk-related decisions-making likely resulted from the utilities’ 2019 Wildfire Mitigation Plans (WMPs) which failed to meet the Commission’s minimum risk assessment standards. The Commission described the risk assessments in the utilities’ WMPs as a ‘black box’ which did not meet the Commission’s minimum requirements:

Most of the IOU WMPs justify inspection and hardening program proposals as being informed by an internal risk assessment. However, that risk assessment is often a black box with insufficient description of the supporting information and rationale for proposed programs. Future filings should provide documentation of the risk analysis used to justify the proposals. A “trust us, we know what we are doing” approach to risk assessment is not appropriate given recent wildfire activity.²

The Commission ordered the electrical utilities in the future to comply with the Commission’s S-MAP and RAMP decisions as required by the wildfire risk mitigation statutes.³”

Edit: The following sentence should be added after the last full sentence on page 4: “PCF notes that the Energy Division’s sentiment contradicts numerous Commission decisions which explicitly require quantification of risk reduction activities so that risk reduction activities may be prioritized based on their cost-effectiveness. As the Commission found in 2016, ‘Without quantifying risk reduction, no meaningful ranking, prioritization or optimization of risk mitigations is possible, and the Commission’s goals and processes set forth in D.14-12-025 are compromised.’⁴”

² D.19-05-036, p. 29, fn. 42.

³ D.19-05-036, p. 29 (“Including such analysis in the WMPs would provide the Commission a transparent and effective way to balance overlapping programs in the WMP and assess which programs are needed and effective. As stated above, the statute requires “all relevant wildfire risk and risk mitigation information that is part of the Safety Model Assessment Proceeding and Risk Assessment Mitigation Phase filings.” This quantitative information is relevant, and the process of conducting these analyses may allow stakeholders to better understand the cost effectiveness of proposed mitigations.”).

⁴ D.16-08-018, *Interim Decision Adopting the Multi-Attribute Approach (Or Utility Equivalent Features) and Directing Utilities to Take Steps Toward a More Uniform Risk Management Framework* (August 18, 2016), p. 182 (Finding of Fact 33).

5. Topic 1: Track 3.a.i Risk Mitigation and Cost Presentation Standards

5.1 Staff Proposal

Comment: PCF agrees with the Energy Division that the utilities should present activities in the same manner in both the GRC and the RAMP.

5.2 IOU Presentation – Challenges of RAMP Standardization and RAMP to GRC Integration

Edit: Please delete the second sentence so that the report does not give the misimpression that a party must expressly comment during workshops if it disagrees with the utilities.

Alternatively, please add the following sentences: “No conclusion should be drawn regarding concerns not raised at RCP Workshop #2. Workshop participants may not have had the ability or opportunity to raise their concerns at the workshop, and not all parties to R.20-07-013 were participants in R.13-11-006.”

Comment: Often, insufficient time or opportunity during a workshop exists for all concerns to be raised by all parties. Other times, a party may wish to confirm the historical and legal accuracy of its position before communicating with the larger group. Still other times, a party representative at a workshop may wish to seek feedback from other persons in the representative’s organization. PCF notes that SCE has filed formal disclaimers to this effect, but formal disclaimers are not required each time a party does not fully communicate its disagreement with every position taken by every other party at an informal workshop.

5.3 Discussion of IOU Presentation

Edit: Please the following to the end of Section 5.3: “PCF comments that the fact that SCE “has no gas business” provides no meaningful justification for not standardizing RAMPs across the utilities. SDG&E and SoCalGas, for example, file a joint RAMP report, but SoCalGas

does not include a wildfire mitigation chapter because the wildfire mitigation statutes only apply to the electrical utilities. PCF agrees with the Energy Division that the utilities should present activities in the same manner in both the GRC and the RAMP. PFC supports standardizing RAMP to GRC integration requirements across utilities because it could accelerate compliance by SDG&E and SoCalGas, who are falling further and further behind their peers with respect to RAMP to GRC integration. SoCalGas and SDG&E were not required to conform to the full requirements of D.16-08-018 when filing their first RAMP report in 2016,⁵ which informed SDG&E's and SoCalGas' TY2019 GRC proceeding. As a result, answers to the "core questions of what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent" required by the Commission's RAMP decisions were 'not readily available' to the Commission in SDG&E's and SoCalGas' TY2019 GRC.⁶ In D.20-01-002, the Commission extended SDG&E's and SoCalGas' TY2019 GRC cycle to a five-year cycle (an extension that was not applicable to the other utilities), and required SDG&E and SoCalGas to provide additional RAMP-related information in a petition for modification of D.19-09-051 (PfM).⁷ However, the only additional RAMP-related information SDG&E and SoCalGas provided in their PfM consisted of references to the deficient 2019 RAMP Report.⁸

⁵ D.16-08-018, p. 153, 196 (OP 9).

⁶ D.19-09-051, *Decision Addressing the Test Year 2019 General Rate Cases of San Diego Gas & Electric Company and Southern California Gas Company* (September 26, 2019), p. 23 ("...As stated above, the RAMP process continues to be refined and we expect that future RAMP integration in future GRC filings will provide better answers to the core questions of what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent. Answers to those questions are not readily available to us here."); *id.* at p. 762 (Conclusion of Law 3, 4).

⁷ D.20-01-002, *Decision Modifying the Commission's Rate Case Plan for Energy Utilities* (January 16, 2020), p. 52-53 (requiring RAMP-related information sufficient to "support the Commission's evaluation of their 2022 and 2023 attrition year proposals").

⁸ D.20-09-004, *Decision Closing Risk Assessment and Mitigation Phase Proceedings* (September 10, 2020), p. 17 (Finding of Fact 14: "Parties identify specific deficiencies in the 2019 RAMP Report"); *id.* at p. 18-19 (Ordering Paragraph 1: ordering the utilities to "address and consider in their next Risk Assessment Mitigation Phase (RAMP) applications, the comments and suggestions by intervenors regarding the 2019 RAMP Report..."); A.17-10-007/008, Joint Petition for Modification of D.19-09-051

6. Topic 2: Track 3.a.ii – Merger of the RSAR and Other Accountability Reports

6.3 Discussion of IOU Presentation

Edit: Please change the name of this heading to “Discussion of Staff Proposal and IOU Presentation,” or simply delete “IOU” and make “Presentation” plural, and add the following to the end of Section 6.3: “PCF disagrees with the Energy Division’s statement ‘that there needs to be a standard method for the IOUs to show how authorized costs are imputed in the RSAR because the public has a hard time understanding how this is done.’ Only actually authorized amounts should be used. SDG&E and SoCalGas ‘imputed’ authorized amounts from D.19-09-051 for the activities listed in the RSAR because they failed to include sufficient risk-related information in their TY2019 GRC application so that the Commission could determine ‘what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent’⁹ when the Commission decided D.19-09-051.”

of Southern California Gas Company and San Diego Gas & Electric Company (April 9, 2020, p. 28 (“the Petition’s 2022 and 2023 attrition year proposals will continue to support the programs and activities identified in both the 2016 and 2019 RAMP Reports.”); p. 30 (“Many of the programs that SoCalGas and SDG&E recently forecasted in their 2019 RAMP Reports were part of SoCalGas’ and SDG&E’s test year revenue requirement request in the TY 2019 GRC, were authorized in the 2019 GRC Decision, and will be supported by the upcoming PFM’s post-test year revenue requirement proposals.”); p. 31 (“The costs associated with control activities that are identified in the 2019 RAMP Reports were also part of the TY 2019 GRC requests, are part of the TY 2019 GRC Decision’s authorized revenue requirements for the test year and post-test years, and are thus inherently included in the 2022 and 2023 attrition year requests, which will continue to support mitigating safety risks on an ongoing basis.”); p. 32; p. 23 (urging the Commission to continue “the authorized post-test year mechanism through 2022 and 2023” so the Utilities can maintain “safety and risk mitigation improvements [that] include the activities associated with the 2016 and 2019 RAMP Reports, which aim to mitigate SoCalGas and SDG&E’s top safety risks”); *see also* A.17-10-007/008, Joint Reply to Responses to Joint Petition for Modification of D.19-09-051 of Southern California Gas Company and San Diego Gas & Electric Company (May 21, 2020), p. 14 (“SoCalGas’ and SDG&E’s 2019 RAMP Reports also provide consistent support for the commitments stated here.”); p. 28-29.

⁹ D.19-09-051, p. 23.

8. Topic 4: Track 3.a.iv. GRCs Resolved by Settlement Agreement

8.3 Discussion of IOU Presentation

Edit: Please include the following after the last sentence: “PCF agrees with the Energy Division but posits that, more important than granularity or frequency, the legislative intent and purpose of each report should be the guiding factor in discussions on merging reports.”

10. Topic 6:Track 3b. Updates to RCP Requirements

10.3 Discussion of IOU Presentation

Edit 1: Please change the name of this heading to “Discussion of Staff Proposal and IOU Presentation,” or simply delete “IOU” and make “Presentation” plural, and add the following to the end of Section 6.3 so that the following edits can be included in the body of the final report.

Edit 2: Please add: “In response to the ED’s proposal ‘that a methodology should be identified to link the RAMP’s findings (particularly mitigation costs) to the GRC,’ PCF comments that no reason exists to reinvent the wheel. The RAMP filing and comment process already forms the basis for a utility’s ‘assessment of its safety risks in its general rate case filing.’¹⁰ The purpose of a RAMP proceeding is to provide a forum for evaluation of a utility’s approach to risk ‘and to determine whether the elements contained in the RAMP submission can be used in the utility’s GRC filing to support its position on the assessment of its safety risks, and its plans to manage, mitigate, and minimize those risks in the context of the utility’s upcoming GRC application filing.’¹¹ PCF recommends that the Commission focus on enforcing the existing requirements to which the utilities do not all adhere.”

¹⁰ See I.19-11-011, Order Instituting Investigation into the Risk Assessment and Mitigation Phase Submission of San Diego Gas & Electric Company (November 7, 2019), p. 1-2; I.19-11-010, Order Instituting Investigation into the Risk Assessment and Mitigation Phase Submission of Southern California Gas Company (November 7, 2019), p. 1-2.

¹¹ D.14-12-025, *Decision Incorporating a Risk-Based Decision-Making Framework Into the Rate Case Plan and Modifying Appendix A of Decision 07-07-004* (December 4, 2014), p. 52 (Finding of Fact 26).

Edit 3: The suggestion by SDG&E and SoCalGas that “some of the comments received in RAMPs (particularly where comments conflict with each other) would be better addressed in a statewide proceeding, such as the S-MAP forum, rather than in a utility-specific GRC” should be deleted. If SDG&E and SoCalGas refuse to delete the improper sentence, the following should be added to section 10.3: “PCF objects to inclusion in the report the inappropriate and misleading statement by SDG&E and SoCalGas that ‘some of the comments received in RAMPs (particularly where comments conflict with each other) would be better addressed in a statewide proceeding, such as the S-MAP forum, rather than in a utility-specific GRC’ as procedurally improper and a violation of Commission rules and principles of due process. SDG&E and SoCalGas have been ordered to address the deficiencies identified by the parties in the utility-specific proceedings I.19-11-010 and I.19-11-011.¹² To avoid the Commission’s express orders, SDG&E and SoCalGas would be required to file a petition for modification of D.20-09-004. Any attempt to avoid the directives in D.20-09-004 (which were made in consolidated proceedings designated as ratemaking)¹³ via this proceeding (which has been designated as quasi-legislative)¹⁴ would not comport to Commission rules, would be highly irregular and inappropriate, and would violate California law and principles of due process.

Edit 4: Please add the following after the first paragraph on page 11 (which continues from page 10) of the draft report: “PCF agrees with SCE’s comment ‘that if a party is seeking to change the requirements then, as a matter of due process, all parties need to be heard before the change is enacted.’”

¹² D.20-09-004, p. 17 (Finding of Fact 14: “Parties identify specific deficiencies in the 2019 RAMP Report”); *id.* at p. 18-19 (Ordering Paragraph 1: ordering the utilities to “address and consider in their next Risk Assessment Mitigation Phase (RAMP) applications, the comments and suggestions by intervenors regarding the 2019 RAMP Report...”).

¹³ I.19-11-010, 011, Assigned Commissioner’s Scoping Memorandum and Ruling (April 20, 2020), p. 7.

¹⁴ R.20-07-013, Assigned Commissioner’s Scoping Memorandum and Ruling (November 2, 2020), p. 11.

Edit 5: Please add the following after the first full paragraph on page 11 of the draft report: “SDG&E’s and SoCalGas’ response to ALJ Fogel’s question about ‘why the RAMP estimates are different from the GRC forecasts’ raises serious concerns for PCF. SDG&E and SoCalGas should not be presenting their costs in their upcoming TY2024 GRC by ‘organization’ instead of by program. Since 2014, the Commission has been clear that the programs should be traceable from the RAMP to the GRC to the RSAR.¹⁵ The very purpose of the RAMP is to *facilitate* GRC review and ensure that ‘safety considerations are being considered in the utility’s GRC filing in an open and transparent manner.’¹⁶ The RAMP and GRC estimates that preceded D.19-09-051 did not track because (1) SDG&E and SoCalGas were not required to adhere to D.16-08-018 when they filed their 2016 RAMP Report,¹⁷ and because (2) in their TY2019 GRC applications, they failed to include sufficient risk related information to allow the Commission to answer the fundamental questions about ‘what spending is proposed to mitigate risks, and how has past spending reduced risk per dollar spent.’¹⁸ Despite this checkered past, going forward SDG&E and SoCalGas are required to adhere to all of the Commission’s requirements, and programs should be traceable from the RAMP to the GRC.¹⁹”

Edit 6: Please add the following somewhere in the last full paragraph on page 11 of the draft report: “PCF shares ALJ Fogel’s concerns about efficiency and the need to avoid duplication of effort from the RAMP to the GRC.”

¹⁵ See e.g. D.14-12-025, p. 44 (referring to “the utility’s GRC projections of the benefits and costs of the risk mitigation programs adopted in the GRC...”).

¹⁶ D.14-12-025, p. 39.

¹⁷ D.16-08-018, p. 196 (OP 9).

¹⁸ D.19-09-051, p. 23.

¹⁹ See e.g. D.19-09-051, p. 762 (Conclusion of Law 4); D.20-09-004, p. 19 (OP 1) (“The utilities’ next RAMP filing shall fully comply with the guidelines set forth in Decision 16-08-018 and the Safety Model Assessment Proceeding Settlement Agreement.”).

Edit 7: Please add the following after the last paragraph on pages 11-12 of the draft report: “PCF disagrees that ‘there is a need to develop a process to close RAMP applications’ and submits that this statement by the Energy Division contradicts past Commission decisions. As the Commission has explained, generally a RAMP proceeding should be consolidated with the subsequently filed and corresponding GRC proceeding, and a decision closing a RAMP proceeding should only be issued ‘if it concluded that the RAMP process has been completed and RAMP findings have been fully integrated into’ a utility’s subsequent GRC proceeding.”²⁰”

11. Topic 7: Track 3.c. RAMP Clarifications and Refinements

11.3 Discussion of IOU Presentation

Edit: Please add the following in section 11.3: “PCF points out that the unfair nature of SDG&E’s and SoCalGas’ blanket application of their so-called escalation-based mechanism to determine post-test year requirements remains an issue presented in an ongoing ratemaking proceeding with high stakes for SDG&E and SoCalGas ratepayers, whose rates are the highest in California and among the highest in the nation.²¹ Any discussion of post-test year cost estimates in this proceeding must recognize two related principles: (1) that the regulatory compact and attrition year calculations work in two directions,²² and (2) that the utilities cannot rely upon attrition year adjustments in certain circumstances, such as with respect to PSEP projects.”²³”

²⁰ See e.g. I.19-11-010, Order Instituting Investigation into the Risk Assessment and Mitigation Phase Submission of Southern California Gas Company (November 7, 2019), p. 5 (“As described in D.14-12-025, no decision is anticipated in the OII as the OII may be consolidated with SoCalGas’ TY2022 GRC. However, as was the case in Investigation (I.) 16-10-015, a decision closing the OII may be issued in the OII proceeding if it is concluded that the RAMP process has been completed and RAMP findings have been fully integrated into SoCalGas’ TY2019 GRC proceeding.”).

²¹ A.17-10-007/008, The Protect Our Communities Foundation Reply Brief (October 5, 2020), p. 1.

²² D.93-12-043, 1993 Cal. PUC LEXIS 728, 39 (rejecting SoCalGas’ position that attrition year adjustments only work in one direction); D.20-01-002, p. 8, fn. 13 (“attrition” refers to both increases and decreases), p. 11.

²³ A.17-10-007/008, The Protect Our Communities Foundation Reply Brief (October 5, 2020), p. 3-4, p 8 (citing to D.19-09-051, p. 204, D.20-01-002, p. 52, D.14-06-007, p. 23.).

12. Next steps

Comment: At the workshop, PCF sought clarification that the March 4, 2021 comments were being submitted for meaningful inclusion in the body of the report, and these comments have been prepared with that expectation. While PCF has no objection to compiling comments received in Appendix B, PCF's comments should not solely be relegated to an appendix and have been drafted for easy incorporation in the relevant sections to which they refer.

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