



California Public Utilities Commission

Commissioner Committee on Finance and Administration



CPUC Office of the Safety Advocate (OSA)

Christopher Parkes, Director

2018 in Review

Roadmap: 2019 and Beyond

February 20, 2019





Presentation Overview

- **Introduction: OSA Overview**
- **OSA's Annual Report**
- **2018 in Review**
- **Roadmap: 2019 and Beyond**
- **Questions**





Introduction: OSA Overview

The Governor and Legislature approved [SB 62](#) (Hill, 2016), creating the CPUC's Office of the Safety Advocate (OSA).

OSA is staffed with senior engineers and analysts who:

- 1) Advocate for improvements to public utility safety management systems, safety culture, and aging infrastructure.
- 2) Recommend improvements to the CPUC's safety management systems and safety culture (Advisory role to the Commission).
- 3) Advocate as a party in proceedings to assist the Commission in its efforts to hold public utilities accountable for their safe operation.

Mission

The Office of the Safety Advocate advocates for the continuous, cost-effective improvement of the safety management and safety performance of public utilities to prevent accidents, injuries, and to save lives.





OSA's Annual Report on 2018 Activities

CALIFORNIA PUBLIC UTILITIES COMMISSION

Office of the Safety Advocate

2018 Annual Report



January 10, 2019

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Public Utilities Code 309.8

- *Report is due “On or before January 10 of each year... [to] the Legislature...”*

Annual Report is located at:

- www.cpuc.ca.gov/safetyadvocates





2018 in Review – Summary of Activities

OSA Objectives	OSA Activities
<p><i>Actions taken by OSA to recommend improvements to public utility safety management policy and procedures and safety culture</i></p>	<ul style="list-style-type: none"> ➤ Hosted a CPUC Safety En Banc to examine and share information among regulatory staff, utilities, and industry and academic experts, on how Safety Management Systems (SMS) and Standards may be employed to improve utility safety in the electric and natural gas industry. ➤ Researched and presented to Commissioners on how Safety Reporting Systems (SRS) are used in other industries, including aviation, rail, and offshore oil and gas, to improve safety and potential application of SRS to California Energy Utilities.
<p><i>Actions taken by OSA to support improvements to the Commission’s safety management safety culture in its oversight of utilities</i></p>	<ul style="list-style-type: none"> ➤ Collaborated with the CPUC’s Safety Ombudsperson and Training Office to develop and conduct CPUC new employee onboarding sessions on safety culture, including participation by each of the CPUC’s industry division directors. ➤ Contributed to evolving development of CPUC Strategic Directive SD-02 on Safety
<p><i>OSA advocacy and participation in Commission proceedings</i></p>	<ul style="list-style-type: none"> ➤ Participated in multiple Commission proceedings, recommending specific improvements impacting public safety.





2018 in Review – Proceedings

OSA participates in a number of proceedings encompassing

- ***Wildfire / Electric Safety***
 - Wildfire Mitigation
 - De-Energization
 - Grid Safety and Reliability

- ***Gas Safety***
 - Transmission
 - Distribution
 - Storage

- ***Dam Integrity***





2018 in Review – Proceedings

- | | |
|----------------------------------|---|
| 1) R.18-10-007 | ○ CPUC SB 901 Wildfire Utility Mitigation Plans Rulemaking |
| 2) R.18-12-005 | ○ CPUC Electric Utility De-Energization Rulemaking |
| 3) A.18-09-002 | ○ Southern California Edison (SCE) Grid Safety and Reliability Application (including Wildfire Mitigations) |
| 4) I.18-12-007 | ○ CPUC PG&E Locate and Mark Practices Investigation |
| 5) I.15-08-019 | ○ CPUC PG&E Safety Culture Investigation |
| 6) A.17-11-009 | ○ PG&E 2019 Gas Transmission & Storage (GT&S) Rate Case |
| 7) A.18-12-009 | ○ PG&E 2020 General Rate Case (GRC) |
| 8) A.17-10-007/008 | ○ Sempra Utilities 2019 SDG&E and SoCalGas GRCs |
| 9) A.18-07-019 | ○ Gill Ranch Gas Storage – Ownership Transfer |
| 10) A.17-02-003
& D.18-05-010 | ○ Gill Ranch Gas Storage – Reorganization |
| 11) A.18-02-013
& D.18-10-029 | ○ Wild Goose & Lodi Gas Storage Asset Encumbrance |
| 12) I.18-11-006 | ○ SCE 2018 Risk Assessment Mitigation Phase (RAMP) |
| 13) I.17-11-003 | ○ PG&E 2017 Risk Assessment Mitigation Phase (RAMP) |
| 14) A.15-05-002,
et al | ○ CPUC Safety Model Assessment Proceeding (SMAP) <ul style="list-style-type: none"> ▪ SMAP Metrics Technical Working Group |
| 15) R.14-05-013 | ○ CPUC Safety Citation Programs Rulemaking |
| 16) R.17-07-007 | ○ CPUC Distributed Energy Resources (DER) Interconnection Streamlining Rulemaking |





2018 in Review

Key OSA Activities





Wildfire Risks

Advocating for safety to aid in preventing injuries, and loss of life and structures caused by wildfires ignited by electrical infrastructure.

- **OSA is studying best practices available to utility companies for hardening electrical facilities.**
- **OSA is evaluating electrical utility mitigation selections in rate case and RAMP filings.**
- **OSA is active in development of the scope and review of utility Wildfire Mitigation Plans in SB 901 R.18-10-007.**





SCE Grid Safety & Resiliency Proceeding (A.18-09-002)



September 10, 2018:

- Southern California Edison (SCE) submitted its Grid Safety & Resiliency Program (GSRP) application.
- Application outlines proposed new wildfire mitigation plans (WMPs).
- OSA is obtaining data from SCE and others on the effectiveness of proposed wildfire mitigation programs and cost reasonability.





PG&E Safety Culture Investigation (I.15-08-019)

- February 2018 – Testimony
 - OSA filed testimony
- April & May 2018 – Hearings and Briefs
 - OSA conducted cross examination and testified in hearings
 - OSA filed its brief
- December 2018 – CPUC Decision ordering PG&E to implement Northstar Report recommendations
- December 2018 – Assigned Commissioner issued scoping memo for the next phase of the proceeding.
 - February 13 2019 -- OSA submitted comments in response to scoping memo questions for the next phase of the proceeding





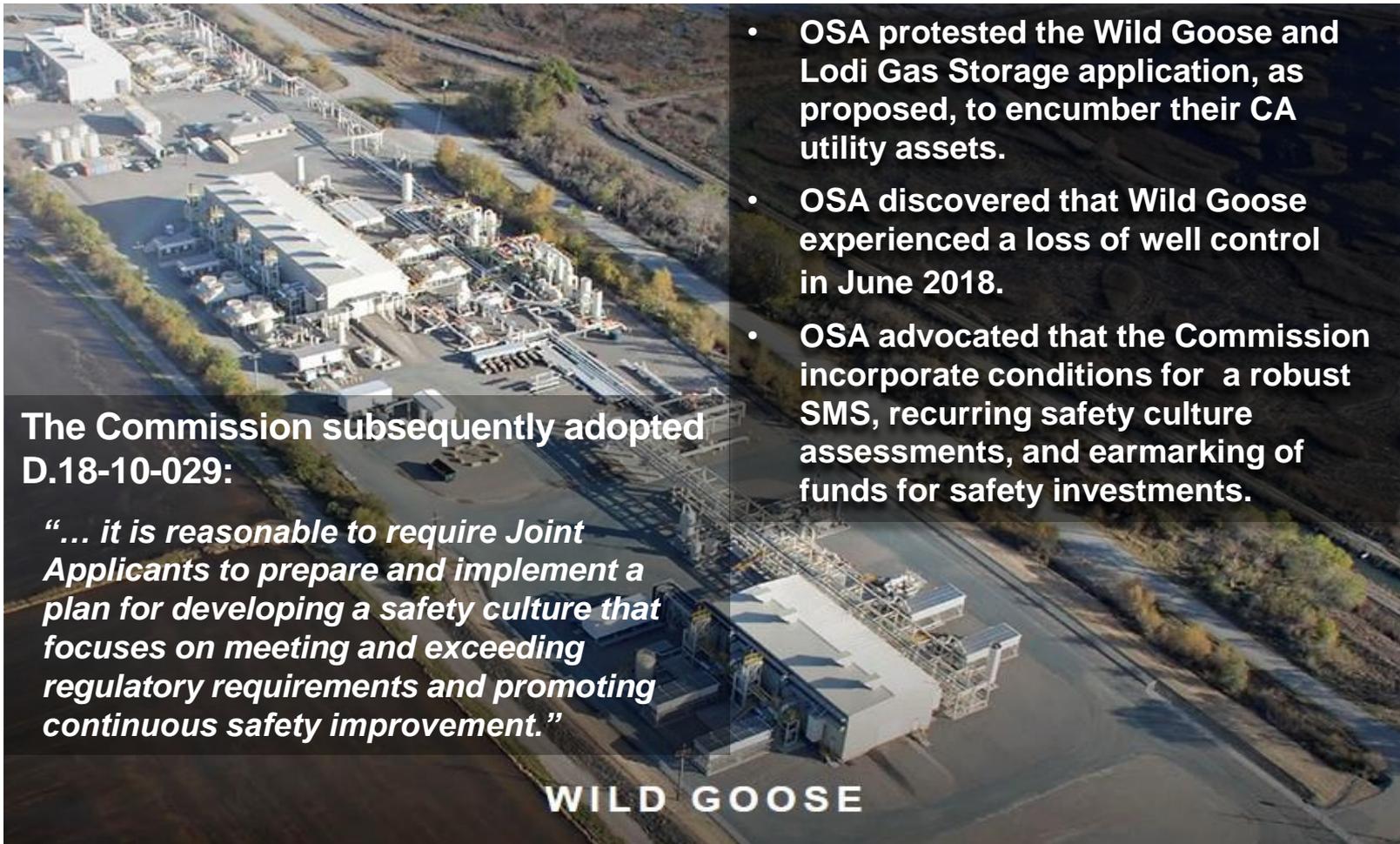
Gas Safety

- On October 1, 2017, a gas transmission pipeline exploded, ejecting a large section of pipe. The pipeline outage contributed to concern of adequate gas and electric supply to meet customer demand.
- OSA advocates for utility programs to prevent incidents.





Wild Goose and Lodi Gas (A.18-02-013 & D.18-10-029)



- OSA protested the Wild Goose and Lodi Gas Storage application, as proposed, to encumber their CA utility assets.
- OSA discovered that Wild Goose experienced a loss of well control in June 2018.
- OSA advocated that the Commission incorporate conditions for a robust SMS, recurring safety culture assessments, and earmarking of funds for safety investments.

The Commission subsequently adopted D.18-10-029:

“... it is reasonable to require Joint Applicants to prepare and implement a plan for developing a safety culture that focuses on meeting and exceeding regulatory requirements and promoting continuous safety improvement.”

WILD GOOSE





Gill Ranch Corporate Reorganization (A.17-02-003 & D.18-05-010)

In May 2018, the Commission adopted a Settlement Agreement between OSA and Gill Ranch Gas Storage.

The Settlement Agreement incorporates several important Safety Management features, including:



- ✓ **A Chief Safety Accountability Officer;**
- ✓ **A Comprehensive Safety Management System;**
- ✓ **A Safety Council to review organization-wide safety risks, and**
- ✓ **Implementation of recurring Safety Culture Assessments.**





Additional Activities to Promote Utility Safety Management Improvements

OSA continues to fulfill its mandates to improve utility safety management by:

- Further investigation into the use of Safety Management Systems.
- Further investigation into the use of Safety Reporting Systems.
- Submitting to and supporting the CPUC's Safety Flag system.





Safety Management Systems

Safety Management Systems have been adopted by regulators or operators in several industries to improve safety:



AMERICAN PETROLEUM INSTITUTE



California
Accidental Release Prevention
(CalARP) Program



California Accidental Release Prevention Program





March 7, 2018, Safety En Banc Safety Management Systems (SMS) *Industry Experts, Academia, and Regulators*



Presenters at this SMS Safety En Banc (hearing) included:

- Christopher A. Hart, former chair, National Transportation Safety Board
- Dr. Paul Schulman, UC Berkeley, Center for Catastrophic Risk Management
- Dr. Claudine Bradley, safety culture expert, Canada's National Energy Board
- Top Executives from the Commission's regulated utilities
- ***And more***; available at: <http://www.cpuc.ca.gov/2018safetyenbanc/>





Safety Reporting Systems

Safety Reporting Systems are used by regulators in other industries to improve safety:

Aviation: Federal Aviation Administration (FAA)

Rail: Federal Rail Administration (FRA)

Firefighting: International Association of Fire Chiefs (IAFC) (Non-regulatory)

Offshore Oil and Gas:

Bureau of Safety and Environmental Enforcement (BSEE)



**Firefighters:
Near Miss Reporting System**



**Rail Industry (FRA):
Confidential Close Call
Reporting System - C³RS**





OSA submitted Safety Flags

Electric Safety Flag

OSA continued work in support of a safety flag to look into utility pole failure root cause analysis programs and the risk of large oil filled transformers in high rise buildings.

Gas Pipeline Safety Flag

OSA submitted a safety flag regarding pipeline mitigation of a gas transmission pipeline subsequent to an analysis of the uncertainty of pipeline pigging data.





CPUC Safety Culture



OSA is Supporting CPUC Safety Culture by:

- 1) Submitting CPUC Safety Flag items on potential specific utility program gaps.
- 2) Promoting improvements to CPUC safety management systems and safety culture.
- 3) Contributing to evolving development of CPUC Strategic Directive SD-02 on Safety
- 4) Developing and conducting CPUC onboarding safety culture trainings.





Conferences/Training

OSA recognizes adequate training and engagement with regulators, plus industry and academic experts, is required to aid meeting legislative expectations.

OSA's 2018 training-related activities include topics of wildfires/ electric, gas, SMS, safety culture, and proceeding processes:

- Research Needs on Wildfire: Ensuring Grid Resilience and Public Safety Workshop
- Wildfire: Assessing and Preparing for Risks under Climate Change Webinar
- Impacts from De-Energization Workshop
- Gas & Electric Safety 101 Training
- Natural Gas Storage Fields in California Workshop
- Safety Management System (SMS) Training – American Gas Association
- Utilities Disaster Preparedness & Emergency Response Workshop
- CPUC Safety Culture Sessions (Onboarding)
- Expert Witness Training
- Ex Parte and Bagley Keene Training





Future opportunities for OSA

1. Assess utility implementation of safety management system program standards and work with utilities to identify best practices, gaps, and corrective actions.
2. Expedite development of options for a Safety Reporting System for California Energy Utilities.
3. Support procurement of a contract for ongoing safety culture assessment at the Commission.
4. Increase staffing to carry out SB 901 Wildfire and Safety Culture mandates.
5. Expand OSA efforts to support expanded safety leadership and safety culture training for Commission staff.
6. Support development of Commission safety culture, organizational, and safety performance metrics for utilities to help identify trends and gaps.





OSA Roadmap: 2019 & Beyond

CPUC Safety Management, Culture:

OSA will continue to promote & improve CPUC safety culture onboarding trainings, recommend safety leadership training for CPUC staff, and propose a CPUC safety culture assessment.



CPUC Proceedings:

OSA will continue to participate in CPUC proceedings to seek to uncover safety gaps that are not covered by current safety CPUC regulations; OSA will intervene in upcoming SB 901 Wildfire Proceedings.

Utility Safety Management, Culture, Infrastructure:

OSA will continue to seek to recommend improvements in utility safety management programs in order to identify problems that could lead to a public safety incident.





Questions?

