

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Wildfire Mitigation Plans Discovery 2023-2025**  
**Data Response**

PG&E Data Request No.:	CalAdvocates_040-Q002		
PG&E File Name:	WMP-Discovery2023-2025_DR_CalAdvocates_040-Q002		
Request Date:	April 5, 2024	Requester DR No.:	CalAdvocates-PGE-2025WMP-04
Date Sent:	April 10, 2024	Requesting Party:	Public Advocates Office
PG&E Witness:		Requester:	Miles Gordon

The following questions relate to your 2025 WMP Update submission.

**QUESTION 002**

PG&E states on page 23 of its 2025 WMP Update regarding its workplan for undergrounding projects:

PG&E is currently refining our workplans for both overhead hardening and undergrounding projects through the end of the GRC period (2026) to account for the direction provided in D.23-11-069. Additionally, PG&E’s Base 2023-2025 WMP R5 at page 408 states annual undergrounding mileage targets or forecasts: 350 miles in 2023, 250 miles in 2024, 330 miles in 2025, and 440 miles in 2026. With respect to undergrounding projects specifically:

- a. D.23-11-069 sets annual risk reduction targets to be achieved by undergrounding.<sup>1</sup> In the 2023-2025 WMP period as a whole, does PG&E currently expect to fall short of, meet, or exceed the risk reduction target established in the GRC proceeding?
- b. According to PG&E’s current workplan, what is the amount of risk reduction that PG&E expects to achieve in 2024 due to undergrounding projects?
- c. How does your answer to part (b) compare to the risk reduction target established in D.23-11-069?
- d. According to PG&E’s current workplan, what is the amount of risk reduction that PG&E expects to achieve in 2025 due to undergrounding projects?
- e. How does your answer to part (d) compare to the risk reduction target established in D.23- 11-069?
- f. Does PG&E anticipate completing additional undergrounding mileage in 2023-2026 beyond the GRC-authorized 1,230 undergrounding miles?
- g. If yes, please state the number of miles and PG&E’s intended cost recovery venue for said miles.

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<sup>1</sup> D.23-11-069, Ordering Paragraph 23 at 905 states that in its required System Hardening Accountability Report, “PG&E shall explain its progress and the degree to which they meet or exceed reducing risk by annual amounts of 2% by 12/31/2023, by a total of 5% by 12/31/2024, by a total of 10% by 12/31/2025, and by at least a total of 18% by 12/31/2026 of the 2023 baseline risk amount.”

**ANSWER 002**

- a. PG&E intends to meet the cumulative system hardening risk reduction requirement of 18% by 2026, using the risk reduction methodology described in Advice Letter 7150-E-A.
- b. Based on the workplan as of February 22, 2024, and using the GRC risk reduction methodology described in Advice Letter 7150-E-A, the 2024 target-informed risk reduction for undergrounding projects is currently forecasted to be approximately 1.6%.

Using the WMP risk reduction method (risk reduction based on WDRM v3 only), the target-informed anticipated risk reduction for undergrounding projects currently forecasted for completion in 2024 is approximately 1.5%.

Note: these values only include projects in Maintenance Activity Type (MAT) codes 08W and 3UG.

- c. Annual risk reduction forecasts established in D.23-11-069 are cumulative for the GRC period (2023-2026). Risk reduction forecasts for specific mitigation types were not established. The response to subpart (b) includes the undergrounding contribution to the GRC System Hardening cumulative risk reduction target (to be achieved by 2026) noted above and shown in the table below.

**System Hardening GRC Risk Reduction Targets (per D.23-11-069, OP 23)**

<b>Date</b>	12/31/2023	12/31/2024	12/31/2025	12/31/2026	Overall Target: 2023-2026
<b>Cumulative Risk Reduction Target</b>	2%	5%	10%	18%	18%

For all system hardening work, including overhead covered conductor, underground and line removal, the 2024 cumulative risk reduction target established in D.23-11-069 is 5% for 2023-2024. Based on the system hardening workplan as of February 22, 2024 and using the GRC risk reduction methodology described in Advice Letter 7150-E-A, PG&E’s current forecasted cumulative risk reduction for system hardening in 2023-2024 is 4.7% (MAT codes 3UG and 08W only). The actual risk reduction values of completed system hardening work are expected to meet the overall cumulative target of 18% by 2026.

Note, as described in the 2023 WMP ACI 22-16, the workplans purposefully build in additional miles compared to the proposed targets at that time to account for the fact that project dependencies and construction issues may arise and delay some projects. Therefore, the cumulative mileage and risk reduction associated with the workplan are currently overstated as compared to what would be accomplished in accordance with the target. To account for this, the risk reduction reported in this response has been proportionately adjusted to align the anticipated risk reduction with the target miles.

- d. The system hardening workplan associated with years 2025 and 2026 is currently combined, as the projects associated with each year are still being finalized. Based on the workplan as of February 22, 2024 and using the GRC risk reduction methodology described in Advice Letter 7150-E-A, the 2025-2026 target-informed

risk reduction for undergrounding projects is currently forecasted to be approximately 8.3%.

Using the WMP risk reduction method (risk reduction based on WDRM v3 only), the target-informed anticipated risk reduction for undergrounding projects currently forecasted for completion in 2025-2026 is approximately 8.4%.

Note: these values only include projects in MAT codes 08W and 3UG.

- e. As mentioned in subpart (c), risk reduction targets established in D.23-11-069 are cumulative for the GRC period (2023-2026). Risk reduction targets for specific mitigation types were not established. The response to sub-part d includes the undergrounding contribution to the GRC System Hardening cumulative risk reduction target noted above and shown in the table below.

**System Hardening GRC Risk Reduction Targets (per D.23-11-069, OP 23)**

Date	12/31/2023	12/31/2024	12/31/2025	12/31/2026	Overall Target: 2023-2026
<b>Cumulative Risk Reduction Target</b>	2%	5%	10%	18%	18%

For all system hardening work, including overhead covered conductor, underground and line removal, the 2025 cumulative risk reduction target established in D-23-11-069 is 10% for 2023-2025, and 18% for 2023-2026. Based on the system hardening workplan as of February 22, 2024 and using the GRC risk reduction methodology described in Advice Letter 7150-E-A, PG&E’s current forecasted cumulative risk reduction for system hardening in 2025-2026 and 2023-2026 is 13.7% and 18.4%, respectively (MAT codes 3UG and 08W only).

Note, as described in the 2023 WMP ACI 22-16, the workplans purposefully build in additional miles compared to the proposed targets at that time to account for the fact that project dependencies and construction issues may arise and delay some projects. Therefore, the cumulative mileage and risk reduction associated with the workplan are currently overstated as compared to what would be accomplished in accordance with the target. To account for this, the risk reduction reported in this response has been proportionately adjusted to align the anticipated risk reduction with the target miles.

- f. PG&E does not currently anticipate materially exceeding the 1,230 miles of undergrounding targeted in the 2023 GRC decision. PG&E intends to align with the authorized 2023 GRC system hardening cost cap of \$4.723 billion and 18% cumulative risk reduction target. PG&E may continue to complete undergrounding work beyond the 1,230 miles if those miles are within authorized costs. PG&E would count those miles as contributing to the four-year cumulative risk reduction requirement.
- g. If undergrounding miles are completed beyond the 1,230 estimated miles but are within the authorized costs and contribute to the risk reduction requirements, PG&E will recover costs in the GRC Wildfire Mitigation Balancing Account (WMBA).