

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

PG&E Data Request No.:	CalAdvocates_040-Q001		
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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 001

PG&E states on page 23 of its 2025 WMP Update regarding its workplan for undergrounding and covered conductor 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. As we update the workplan, we continue the approach described in the Base 2023-2025 WMP of intentionally building additional miles into the workplan to account for unforeseen delays to individual projects such as property access, weather, permitting, land rights acquisition, materials, or other constraints. Thus, some of the projects included in this workplan may not be completed in the 2023 to 2026 timeframe. Generally, PG&E will continue working on these projects until they can be completed. Finally, additional projects may be identified and added to the workplan going forward for potential completion between 2023 and 2026.

- a. Please identify PG&E's intended cost recovery venue for the abovementioned undergrounding projects not completed in the 2023-26 timeframe.
- b. Please identify PG&E's intended cost recovery venue for the abovementioned overhead hardening projects not completed in the 2023-26 timeframe.
- c. Please identify PG&E's intended cost recovery venue for the abovementioned "additional projects" that may be identified and added to the workplan.

ANSWER 001

- a. The cost recovery venue for undergrounding projects depends on the year in which the project becomes operational (i.e. is electrified). Any undergrounding project made operational in 2023-2026 will be recovered through PG&E's 2023 General Rate Case (GRC) via the Wildfire Mitigation Balancing Account (WMBA).

PG&E plans to submit its SB 884 10-Year Undergrounding Plan with a currently anticipated program launch date of January 1, 2027 and proposes that any undergrounding project that is operational on or after January 1, 2027 would be recovered through PG&E's SB 884 10-Year Undergrounding Plan.

While PG&E's intent is to launch the SB 884 undergrounding program in 2027, PG&E is currently awaiting the SB 884 10-Year Plan guidelines from Energy Safety. Based on the review timeline of the legislation (i.e., nine-month review by Energy Safety, two months for electric utilities to submit to the CPUC, and nine-month review by CPUC), if final guidelines are issued mid-year 2024, the earliest we could possibly receive approval for our SB 884 Plan and cost recovery would be in mid-2026. Thus, PG&E anticipates our Plan period would begin January 1, 2027 – meaning that projects included in our SB 884 Plan would begin to be electrified in 2027. The Plan launch in January 2027 assumes Energy Safety and the CPUC approve our Plan and cost recovery without requiring significant changes to our planned program.

Furthermore, given the typical undergrounding project lifecycle of approximately two or more years, electrifying projects in 2027 will require project readiness work in 2025 and 2026. Thus, PG&E would begin incurring costs in 2025 and 2026 for projects that will become used and useful in the SB 884 Plan period of 2027 and beyond. PG&E's cost recovery application will include these costs for readiness work for projects that become operative during the SB 884 Plan period.

- b. Any overhead hardening projects not fully completed in the 2023-2026 GRC timeframe will continue to be recovered through PG&E's next GRC period via the WMBA.
- c. Please see the responses to subparts (a) and (b) for the requested information.