

**WILDFIRE SAFETY DIVISION DATA REQUEST: WSD-SDGE-04**  
**2021 WILDFIRE MITIGATION PLAN UPDATE**  
**SDG&E RESPONSE**

**Date Received: March 16, 2021**  
**Date Submitted: March 19, 2021**

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**I. GENERAL OBJECTIONS**

1. SDG&E objects generally to each request to the extent that it seeks information protected by the attorney-client privilege, the attorney work product doctrine, or any other applicable privilege or evidentiary doctrine. No information protected by such privileges will be knowingly disclosed.
2. SDG&E objects generally to each request that is overly broad and unduly burdensome. As part of this objection, SDG&E objects to discovery requests that seek “all documents” or “each and every document” and similarly worded requests on the grounds that such requests are unreasonably cumulative and duplicative, fail to identify with specificity the information or material sought, and create an unreasonable burden compared to the likelihood of such requests leading to the discovery of admissible evidence. Notwithstanding this objection, SDG&E will produce all relevant, non-privileged information not otherwise objected to that it is able to locate after reasonable inquiry.
3. SDG&E objects generally to each request to the extent that the request is vague, unintelligible, or fails to identify with sufficient particularity the information or documents requested and, thus, is not susceptible to response at this time.
4. SDG&E objects generally to each request that: (1) asks for a legal conclusion to be drawn or legal research to be conducted on the grounds that such requests are not designed to elicit facts and, thus, violate the principles underlying discovery; (2) requires SDG&E to do legal research or perform additional analyses to respond to the request; or (3) seeks access to counsel’s legal research, analyses or theories.
5. SDG&E objects generally to each request to the extent it seeks information or documents that are not reasonably calculated to lead to the discovery of admissible evidence.
6. SDG&E objects generally to each request to the extent that it is unreasonably duplicative or cumulative of other requests.
7. SDG&E objects generally to each request to the extent that it would require SDG&E to search its files for matters of public record such as filings, testimony, transcripts, decisions, orders, reports or other information, whether available in the public domain or through FERC or CPUC sources.
8. SDG&E objects generally to each request to the extent that it seeks information or documents that are not in the possession, custody or control of SDG&E.
9. SDG&E objects generally to each request to the extent that the request would impose an undue burden on SDG&E by requiring it to perform studies, analyses or calculations or to create documents that do not currently exist.

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10. SDG&E objects generally to each request that calls for information that contains trade secrets, is privileged or otherwise entitled to confidential protection by reference to statutory protection. SDG&E objects to providing such information absent an appropriate protective order.

**II. EXPRESS RESERVATIONS**

1. No response, objection, limitation or lack thereof, set forth in these responses and objections shall be deemed an admission or representation by SDG&E as to the existence or nonexistence of the requested information or that any such information is relevant or admissible.
2. SDG&E reserves the right to modify or supplement its responses and objections to each request, and the provision of any information pursuant to any request is not a waiver of that right.
3. SDG&E reserves the right to rely, at any time, upon subsequently discovered information.
4. These responses are made solely for the purpose of this proceeding and for no other purpose.

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**III. RESPONSES**

**QUESTION 1:**

How is the RSE value for covered conductor installation calculated? Provide a breakdown on how the reduction in risk for system hardening is determined, and how the RSE value is determined based on that risk reduction value. Include all associated work papers and inputs into the final value.

**OBJECTION:**

SDG&E objects to this request on the grounds set forth in General Objection Nos. 2, 6, and 9. Subject to the foregoing objections, SDG&E responds as follows.

**RESPONSE 1:**

The general approach to calculating RSE for covered conductor was to a) estimate the reduction in risk – using SDG&E’s multi-attribute value function known as the Risk Quantification Framework, and b) multiply that amount by the years of life for the conductor, with an annual discount factor of 3% applied, and c) divide by the cost of performing the work.

SDG&E has estimated that a covered conductor has 70% less wildfire risk compared to unhardened overhead (OH) conductor. This is discussed in more detail in response to Q2 below. The years of life used for these projects is 40 years. The amount of risk prior to hardening was estimated using system averages of electric faults per Tier 2 and Tier 3, then applying an ignition rate per fault for Tier 2 and Tier 3. So, on a per mile basis, SDG&E developed its estimate of how many fewer ignitions were expected to occur with Covered Conductor in place.

For Tier 3, the system averages of unhardened OH indicate an ignition rate of 0.00353 ignitions/mi/yr. For Tier 2, the rate is 0.00435 ignitions/mi/yr. With covered conductor in place, it is estimated that those rates would drop to 0.00106 and 0.00161, respectively. The overall risk reduction would then be the difference between the likelihood of ignition multiplied by the average consequence for wildfires.

The estimated cost for covered conductor used in the WMP is \$1.058M<sup>1</sup>. The Consequence of Risk Event (CoRE) for wildfire is estimated to be 579.03. This overall CoRE is a weighted average of all ignitions including ones that occur in the non-HFTD. Because the Covered Conductor program’s scope is targeting the HFTD, the CoRE used in the calculation of the RSE is specific to Tier 2 and 3 where the mitigations are going to be implemented. The Tier 2 CoRE is 643 and the Tier 3 CoRE is 1421.

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<sup>1</sup> The cost/mile used for the RSE is an average cost/mile based on completed workorders. The reason the costs used in the RSE appear to be different from the costs in Table 12 is because the costs in Table 12 reflect the total cost in a calendar year, which includes several work orders that are in many different phases.

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To summarize, the RSE calculation for Covered Conductor in each tier is as follows:

Tier 3:

$$\frac{(0.00353 - 0.00106) \times \textit{discounted value}(40 \textit{ years}, 3.0\%) \times 1421}{\$1.058M} = 76.7$$

Tier 2:

$$\frac{(0.00435 - 0.00131) \times \textit{discounted value}(40 \textit{ years}, 3.0\%) \times 643}{\$1.058M} = 42.8$$

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**QUESTION 2:**

How did SDG&E calculate the risk reduction value of 70% for covered conductor installation (p. 192 of SDG&E's 2021 WMP)? Include all associated work papers and inputs into the final value.

**OBJECTION:**

SDG&E objects to this request on the grounds set forth in General Objection Nos. 2, 6, and 9. Subject to the foregoing objections, SDG&E responds as follows.

**RESPONSE 2:**

Covered conductor was estimated to have 90% effectiveness for animal, balloon, and vegetation contacts. The effectiveness was determined by reviewing historical ignition causes and assuming covered conductor would mitigate all foreign object faults with the exception of large vegetation or vehicle contacts. The effectiveness was estimated to be 0% for vehicle contacts. This estimate was determined from subject matter expertise, and the assumption that a vehicle contact would likely cause the pole to fail and wire to fall to the ground. The insulation for covered conductor is rated for incidental contacts; it is not rated to withstand continuous contact with the ground. Using these two data points, the overall effectiveness for covered conductor was estimated to be 70%.

Once SDG&E installs more covered conductor within its distribution system, effectiveness will be measured by comparing the fault history on distribution lines before and after covered conductor is installed.

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**QUESTION 3:**

SB 247 (2019) modified the Public Utilities Code to read: “8386.6. (b) All qualified line clearance tree trimmers shall be paid no less than the prevailing wage rate for a first period apprentice electrical utility lineman as determined by the Director of Industrial Relations.”

- a. Did SB 247 impact SDG&E’s VM-related labor costs?
- b. If so, were these costs included as part of the 2020 WMP and 2021 WMP?
- c. What is the change in VM-related labor cost from 2019 to 2020 as result of SB 247?

**OBJECTION:**

SDG&E objects to this request on the grounds set forth in General Objection Nos. 2, 5, and 9. Subject to the foregoing objections, SDG&E responds as follows.

**RESPONSE 3:**

- a. Yes
- b. Yes, the costs were included in WMP 2020 in Appendix A, Table 25; and in WMP 2021 in Attachment A, Table 12.
- c. SDG&E provides the following table showing the average percentage increase in the unit cost rate for tree trimming/removal activities, and the average percentage increase in the hourly rate in years 2019 to 2020.

Average Cost Rate Increase 2019 to 2020

Unit Rate	Hourly Rate
37%	68%