

PACIFIC GAS AND ELECTRIC COMPANY
Wildfire Mitigations Plans Discovery 2026-2028
Data Response

PG&E Data Request No.:	SPD_004-Q028
PG&E File Name:	WMP-Discovery2026-2028_DR_SPD_004-Q028
Request Date:	May 1, 2025
Requester DR No.:	CONF-SPD-PGE-WMP2026-004
Requesting Party:	Safety Policy Division
Requester:	Edwin Schmitt
Date Sent:	May 6, 2025

SUBJECT: MITIGATION COST EFFICIENCY ASSESSMENT (SPD-PGE-WMP2026-004)

QUESTION 028

On page 124 in the 2026-2028 Base WMP, PG&E states that it has adopted a consistent treatment of risk tolerance in its risk assessment and mitigation strategies. In an Administrative Law Judge Ruling dated April 22, 2025, in the PG&E 2024 RAMP Proceeding (A.24-05-008), PG&E was ordered to not refer to “risk tolerance” to justify risk mitigation activities in the 2027 GRC Rate Case.

- a. Explain which mitigations discussed in the 2026-2028 WMP will need to be reconsidered in light of this order.
 - i. Explain how and why risk tolerance was used as a justification for selecting those mitigation strategies.
- b. Explain what role risk tolerance played in the decision trees found in Figures PG&E-8.2.1-1, PG&E-8.2.1-2, and PG&E-8.2.1-3 in the 2026-2028 Base WMP.
 - i. Explain how these three decision trees will change in light of the ALJ Ruling.
- c. Explain any other decision-making procedure, protocol, tool or other approach where a treatment of risk tolerance was integrated into PG&E’s mitigation selection process.
 - i. Explain how these approaches will change in light of the ALJ Ruling.

ANSWER 028

To date the CPUC has not adopted any Risk Tolerance standard. Accordingly we do not rely on any determination by PG&E or the CPUC regarding a Risk Tolerance standard as justification for our proposed mitigation strategies. However, in proposing our mitigation strategies we employ our professional experience, expertise, and prudent operator judgment to assess the level of safety event risk posed by wildfire. We do not assert that these risk levels are “intolerable.” As the ALJ ruling correctly points out, and PG&E agrees, establishing Risk Tolerance standards for California is the Commission’s responsibility. We believe, however, that understanding the potential for catastrophic

risk consequences is an important factor to be considered along with cost-benefit analysis.

- a. There is no mitigation that needs to be reconsidered in light of this order. A specific risk tolerance threshold was not used as a justification for selecting those mitigation strategies.
- b. A specific risk tolerance threshold was not used in the decision trees.
- c. Risk tolerance thresholds have not been integrated into PG&E's mitigation selection process for the 2026-2028 WMP.