

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

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| PG&E Data Request No.: | SPD_004-Q039 |
| PG&E File Name: | WMP-Discovery2026-2028_DR_SPD_004-Q039 |
| Request Date: | May 1, 2025 |
| Requester DR No.: | CONF-SPD-PGE-WMP2026-004 |
| Requesting Party: | Safety Policy Division |
| Requester: | Edwin Schmitt |
| Date Sent: | May 13, 2025 |

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

QUESTION 039

For Table 6-3 in the 2026-2028 Base WMP, PG&E provided an “Activity-Effectiveness-Wildfire Risk” value for each activity listed. However, for six of these activities PG&E did not provide Cost-Benefit Ratios.¹

- a. Provide the Cost-Benefit Ratios for each of these activities as is required by D.22-12-027.
- b. If these calculations of CBR vary from what was submitted in PG&E’s 2024 RAMP Application, explain how much they vary and why.²
- c. Complete Table 6-3 for all activities listed in this WMP. Add the Initiative Activity Tracking ID as a column in the completed Table. Present this completed version of Table 6-3 in an Excel spreadsheet.

ANSWER 039

- a. The following table uses 2026-2028 program Cost Benefit Ratios (CBR) values (unless otherwise noted) from the enterprise risk models and investment planning forecasts to be submitted as part of our May 2027 GRC filing. The two transmission programs (conductor segment replacement and shunt splice installation) cost benefit scores are currently unavailable and will be provided later.

¹ These were described as Cost-Benefit Scores in Table 6-3, which was likely a typo in the WMP guidelines.

² See for instance calculations for backlog tags in 2024 RAMP Workpaper titled EO-WLDFR-3a_CBR Input File (Dx Backlog and Control).xlsx.

| WMP activity name | Cost Benefit Score - Overall Risk (2026-2028) | Cost-Benefit Score - Wildfire Risk (2026-2028) | Cost Benefit Score - Outage Program Risk (2026-2028) |
|---|---|--|--|
| HFTD/HFRA distribution backlog tags | 0.4 | 0.4 | 0.0 |
| Service drops/breakaway connectors | 5.0 | 5.0 | 0.0 |
| Pole Clearing | 4.3 | 3.1 | 1.2 |
| Distribution routine patrol | 2.6 | 2.2 | 0.4 |
| Covered conductor installation | 18.7 | 17.9 | 0.7 |
| Undergrounding of electric lines and/or equipment | 8.1 | 7.5 | 0.6 |
| PSPS (2027-2030 CBR) | 23.3 | 45.4 | -22.0 |
| EPSS (2027-2030 CBR) | 33.8 | 38.1 | -4.3 |

*CBRs exclude foundational costs

- b. The table below compares the RAMP CBRs and CBRs provided in subpart (a). The original CBR submitted in Table 6-3 are based on February vintage GRC bowties and analysis that was available at the time of the 2026-2028 WMP filing. The values provided in subpart (a) are from PG&E's finalized bowties and analysis to be submitted in our May filing of the 2027 GRC using Baseline 2026. A brief description on the variance drivers are described below.

| Item Number | WMP Activity Name | 2024 RAMP CBR (2026-2028) | GRC Filing CBR (WMP Period 2026-2028) |
|-------------|---|---------------------------|---------------------------------------|
| a | HFTD/HFRA distribution backlog tags | 2.7 | 0.4 |
| b | Service drops/breakaway connectors | N/A | 5.0 |
| c | Pole Clearing | 2.0 | 4.3 |
| d | Distribution routine patrol | 3.1 | 2.6 |
| e | Covered conductor installation | 17.0 | 18.7 |
| f | Undergrounding of electric lines and/or equipment | 6.9 | 8.1 |
| g | PSPS (2027-2030 CBR) | 42.8 | 23.3 |
| h | EPSS (2027-2030 CBR) | 51.9 | 33.8 |

*Excludes foundational cost except for PSPS and EPSS CBRs

- Reduction driven by higher percentage of pole work that has a lower CBR value when compared to non-pole capital and expense projects
- New program for 2027 GRC
- Increase driven by a lower estimated unit cost of work and refreshed outage to ignition ratio when compared to RAMP filing
- Risk Reduction from RAMP to GRC is lower while costs remained relatively the same
- Increase driven by the exclusion of secondary and service mile scoped
- Reduction driven by the increase in allocated costs tied to PSPS
- Reduction driven by lower EPSS effectiveness