

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

PG&E Data Request No.:	SPD_006-Q007
PG&E File Name:	WMP-Discovery2026-2028_DR_SPD_006-Q007
Request Date:	May 20, 2025
Requester DR No.:	SPD-PGE-WMP2026- 006
Requesting Party:	Safety Policy Division
Requester:	Edwin Schmitt
Date Sent:	May 22, 2025

SUBJECT: FOLLOW-UP 2026-2028 BASE WMP DATA REQUESTS (SPD-PGE-WMP2026-006)

QUESTION 007

In SPD-PGE-SB884-017 Question 1d., PG&E stated that the WBCA model uses Capital Costs, O&M Costs, and risk reduction inputs to evaluate alternative mitigations at the circuit segment-level. In SPD-PGE-SB884-017 Question 1g., PG&E also stated that the “key evaluation metrics of the WBCA model are the CBRs and Net Benefits for each circuit segment for certain system hardening mitigation alternatives”. In Figure PG&E 8.2.1-2, CBR and Net Benefits are necessary to determine before PG&E can use the Decision-Tree in Figure PG&E 8.2.1-2 in the 2026-2028 Base WMP to determine a system hardening mitigation at a given CPZ. Explain whether or not this means that PG&E must have Capital Costs, O&M Costs and risk reduction inputs at the circuit segment level before PG&E can determine which system hardening mitigation will be selected at a given CPZ.

- a. For instance, in response to SPD-PGE-WMP2026-004 Question 5, PG&E stated that PG&E cannot provide the units/miles, Total Expenditure, or Present Value Costs for 2026, 2027 or 2028 for Tree Removal. If this is the case, then how does PG&E estimate O&M expenditures on a given CPZ?
 - i. On May 9th, during a discussion about the WBCA Tool, a PG&E representative mentioned that savings from Tree Removal O&M Expenditures, were driving negative CBR results. How are savings estimated if Tree Removal O&M Expenditures are not estimated at the CPZ level?

ANSWER 007

Yes, Capital Costs, O&M Costs, and risk reduction inputs are necessary to calculate the CBR and Net Benefit values for individual circuit segments during the scoping process as reflected in Figure PG&E 8.2.1-2.

- a. PG&E has developed estimated O&M expenditures at the circuit segment-level as an input to the WBCA model for system hardening mitigations, including undergrounding, overhead hardening, and remote grids to account for ongoing

maintenance costs which are expected to continue in perpetuity. Similar O&M estimates are not available at the CPZ level for other wildfire programs and initiatives, such as expulsion fuse replacement, surge arrestor replacement, or line sensors.

- i. The vegetation management O&M expenditures referenced during the May 9th call were based on an analysis of ongoing routine maintenance at the CPZ level which incorporates historic maintenance costs as well as strike tree data from satellite imagery. These values will be used to estimate the lifetime costs of vegetation management in the WBCA since routine maintenance is a control required in perpetuity to maintain a safely functioning grid.

Given that these are estimated values, there are instances in which the lifetime maintenance costs of an overhead system may exceed the capital expenditure of underground mitigations. In these cases, the net cost of an underground mitigation in comparison to the baseline system is negative. Therefore, a simple CBR calculation of Benefit/Cost yields a negative value. For this reason, PG&E strongly encourages the use of Net Benefits (Benefits – Costs) in decision making as this metric reflects the holistic value of a mitigation.