PACIFIC GAS AND ELECTRIC COMPANY
10-Year Electrical Undergrounding Plan (EUP)
Data Response

PG&E Data Request No.:	TURN_002-Q003
PG&E File Name:	EUP-PhI_DR_TURN_002-Q003
Request Date:	October 20, 2026
Requester DR No.:	002
Requesting Party:	The Utility Reform Network
Requester:	A Mireille Fall
Date Sent:	October 23, 2026
Responsible Person(s):	Yumi Oum

QUESTION 003

Please provide the Risk Attitude function formula, parameters, inputs, and outputs. Please clearly describe, or show in a simple spreadsheet calculation, how the Risk Attitude function is used in the Wildfire Risk Bow Tie model (PG&E's EUP Vol 1 at pp 299).

a. Please provide supporting documentation and explanations, including any spreadsheets with all formulas intact, for the derivation of this function.

ANSWER 003

PG&E's Risk Attitude function is a piecewise linear function with three regions. The formula, specified for each of the three regions, is as follows:

$$Region_1: S_1(V) = Slope_1 V$$

$$Region_2: S_2(V) = Y_{A,1} + Slope_2\left(V - X_{A,1}\right)$$

$$Region_3: S_3(V) = Y_{A,2} + Slope_3\left(V - X_{A,2}\right)$$

Where parameters are:

$Slope_i$ is the slope for the Scaling Function in Region *i.* The slopes are {1, 2, 7.5} in Regions {1, 2, 3}

$X_{A,i}$ is the upper bound of the monetized value for Attribute *A* in Region *i*

$Y_{A,i}$ is the y-intercept for Attribute *A* in Region *i*

The input is the monetized value (*V*) for a particular Attribute representing risk event consequence. The monetized value is the product of the impact in Natural Units and the Attribute-specific monetization factor.

The output of the function is the risk-adjusted monetized value for a given *V*.

Please see "*EUP-PhI-DR_TURN_002-Q003Atch01.xlsm*" for an implementation of PG&E's Risk Attitude function. In Row 28 of said workbook, a user can input any desired Safety, Electric Reliability, or Financial consequence value (in Natural Units) per

event and see what the corresponding risk adjusted monetized consequence value per event is.