PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

September 7, 2021

Claire E. Torchia
Southern California Edison Company
2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
SENT VIA EMAIL

SUBJECT:
The 2020 Southern California Edison Company Risk Spending Accountability Report Review

Dear Ms. Torchia:

The Southern California Edison Company (SCE) submitted their 2020 Interim Risk Spending Accountability Report (RSAR) to The California Public Utilities Commission (CPUC) on March 31, 2021. Energy Division completed a review of this report and provides SCE with recommendations for its 2021 report. The attachments provide background and details of staff's analysis on spending accountability and spending variances.

CONCLUSIONS

SCE is required to submit its first RSAR on March 31, 2022[1] for 2021. As a result, this submittal is an interim RSAR but is reviewed to determine compliance with the guidance in CPUC's Safety Model Assessment Proceeding (S-MAP) Decision (D.) 19-04-020. Within the RSAR, the Utility presented imputed adopted, actual spending, and units for its reportable general rate case (GRC) programs related to safety, reliability and maintenance.

Program Selection

SCE correctly applied the selection criteria for its GRC programs found in the S-MAP Decision. The Utility provided work unit information for programs in which the forecasted cost was derived from unit costs. SCE applied the selection criteria for its GRC programs according to D.19-04-020 and included the information required for programs selected for an explanation. SCE provided reference and regulatory account information affecting authorized spending.

Variance

SCE's 2020 RSAR showed a total underspend of $311 million for RSAR-related capital and O&M programs, as shown in Table A-2. The $311 million net underspend is comprised of a $950 million (-21 percent) underspend and a $639 million (14 percent) overspend on individual programs.

[1] D.19-04-020 p. 46

Capital programs contributed to the largest portion of the underspend with $298 million (-8 percent) and O&M expenses had an underspend of $13 million (-1 percent).

Reviewing the RSAR-related programs by the major business lines[2], capital distribution programs had the largest total underspend $425 million, but when balanced with other programs the net difference was only $150 million or negative 8 percent. The net variance at the business line level understates significant underspending on individual programs such as capital for the Transmission Substation Plan (-61 percent, $142 million) and the overhead conductor program (-71 percent, $73 million). The five largest underspent programs are transmission or distribution capital programs with a total underspend of $366 million.

Of the 163 programs evaluated, 61 exceeded the variance threshold[3]. Of the 61 programs exceeding the variance threshold, 22 had a negative variance (under spending). The majority of underspent programs cited delayed or deferred work due to COVID-19 and a reprioritization of safety and reliability work triggered by new emergencies and mandates such as wildfire mitigation. The 2020 capital and operation expenses for wildfire related activities, recorded in four different memorandum and balancing accounts totaled $1.31 billion[4]. The magnitude of those recorded expenses illustrates a redirection of resources from that considered in the 2018 base rate case.

Comments

D.19-04-020 provides for a method for parties to comment on the report. Public Advocates Office of the California Public Utilities Commission (Cal Advocates) submitted comments. No other party provided comments.

Cal Advocates recommended the Energy Division investigate SCE's non-completion of authorized work identified as "critical and necessary" and examine the difference between the reported underspend in RSAR and the SCE advice letter (AL) 4442-E with the subject of "Information Only Advice Letter Results for the Safety and Reliability Investment Incentive Mechanism in Compliance with Decision 19-05-020." On July 8, 2021, SCE responded to Cal Advocates inquiry and explained that SCE's Safety and Reliability Investment Incentive Mechanism (SRIIM) costs are tracked differently than RSAR costs. SRIIM reported costs include ISO related activities and corporate overhead, while RSAR costs include direct expenditures with no overhead. Review of the SRIIM programs and calculations of the associated overhead is required to compare the published RSAR values and the SRIIM reported numbers. ED is currently reviewing the SRIIM refund proposed in AL-4442-E.

Cal Advocates' also highlight the need to track programs across multiple years so variances do not accumulate. Changes to the RSAR process are being discussed in the Rulemaking to Further Develop a Risk-Based Decision-Making Framework for Electric and Gas Utilities (SMAP 2) R.20-07-013. The Track 3 technical working group in that proceeding will be discussing changes to the RSAR included tracking deferred or expediated programs across multiple years in Technical Working Group 2 on September 17, 2021.

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[2] Major business lines are Distribution, Generation, Transmission, and Other.

[3] Variance threshold that triggers and explanation varies between type of expense and units: Expense Variance > $10 million or >$5 million and 20 percent; Capital Variance > $20 million or >$10 million and 20 percent; or Unit Variance between adopted units and actual units > 20 percent.

[4] See Table A-4 in Attachment A.

RECOMMENDATIONS

SCE provided explanations and descriptions for the programs or projects in the report in the report but should improve on their efforts to include authorized work units and lists of activities when work units are not available. More detailed explanations and descriptions would facilitate a better understanding of the reported variances.

Staff recommend that variance explanations:

1. identify all mandates;
2. enumerate assumptions used to develop forecasts;
3. provide enough information to allow verification of programs with no incurred costs;
4. favor more specific variance explanations (e.g., social distancing versus COVID-19);
5. detail costs shifted between programs and note the source (regulations or other projects);
6. compare shifted costs to original allocated budget;
7. provide detailed explanations for why each project does not have units; and
8. provide details in explanations sufficient to verify completeness of work within the program.

SCE should refer to the reporting framework in D.19-04-020, Ordering Paragraph 10 in preparing and submitting future RSARs. SCE should also follow recommendations and decisions related to the RSAR that comes from R.20-07-013 (S-MAP 2). RSAR stakeholders are encouraged to participate in track 3 of the S-MAP 2 proceeding which was specifically created to provide more clarity to the RSAR.

SCE should file and serve their 2021 RSAR in the most recent the proceeding in which costs are imputed, A.19-08-013, and the 2018 Risk Assessment and Mitigation Phase (RAMP), I.18-11-006, with copies provided to the CPUC's Safety Policy Division, Safety and Enforcement Division, and the Public Advocates Office. SCE should also provide the 2021 RSAR to the ED Tariff Unit by emailing the report to edtariffunit@cpuc.ca.gov[5]. If you have any questions or comments, please contact Jordan Smith at (916) 894-5717 or jordan.smith@cpuc.ca.gov.

Sincerely,

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/Director, Energy Division

Enclosure: ATTACHMENT A - Staff Risk Spending Accountability Review
ATTACHMENT B – SCE RSAR Programs Ranked by Spending Variance

cc: Daniel Komula, Southern California Edison
Kristen Yee, Southern California Edison
Dorothy Duda, Branch Manager Market Structure, Costs and Natural Gas Branch
Franz Cheng, Supervisor Electric Costs Section
Service Lists for I.18-11-006 and A.19-08-013

[5] see D.19-04-020 page 47

ATTACHMENT A:
Staff Risk Spending Accountability Review

The California Public Utilities Commission's (CPUC) Energy Division (ED) reviewed the Interim 2020 Risk Spending Accountability Report (RSAR) of Southern California Edison (SCE) filed on April 1, 2021. ED conducted a review to provide the CPUC and parties to the GRC with information that may be useful in the GRC and other proceedings and "alert the Commission and other parties about a utility's risk mitigation activities and spending."[6]

BACKGROUND

In December 2014, the CPUC issued D.14-12-025, which directed the investor-owned utilities under its jurisdiction to prepare annual reports comparing authorized and actual spending on risk mitigation projects and explain any discrepancies. Upon submission, ED Staff would review the reports and identify any spending patterns of concern with respect to the provision of safe and reliable gas and electric service.

In April 2019, the CPUC issued D.19-04-020, Phase Two Decision Adopting Risk Spending Accountability Report Requirements and Safety Performance Metrics for Investor-Owned Utilities and Adopting a Safety Model Approach for Small and Multi-Jurisdictional Utilities (Phase Two Decision) and provided the utilities with specific direction in complying with the reporting requirements of the new risk-based decision-making framework.

In a letter dated January 3, 2019, ED directed SCE to file and serve annual "interim" RSARs for 2016 through 2020 in the applicable RAMP or GRC proceeding. SCE has previously provided the 2016-2017 RSAR and the 2018 RSAR on March 14, 2019, and July 23, 2019, respectively. SCE's 2019 RSAR and 2020 RSAR follow the reporting framework set forth in D.19-04-020.

REPORTING REQUIREMENTS

D.19-04-020 directed utilities to provide descriptions and an explanation of any variance based upon set criteria.[7] This included identifying all risk mitigation and maintenance[8] programs, providing a "comparison of authorized versus actual spending above an appropriate Commission-determined dollar cut-off and a utility narrative explanation of any significant differences between the two." Finally, the utilities are required to "group programs along general business lines" or categories.[9]

REPORT NOTICE AND PARTY COMMENTS

SCE submitted the RSAR report to the service list for three proceedings: their Test Year (TY) 2018 General Rate Case (GRC) Application (A.)16-09-001, their current TY 2021 GRC A.19-08-013, and

[6] D.19-04-020 p. 47.
[7] D.19-04-020 p. 43, Variance Criteria.
[8] In compliance with redirected spending requirements P.U. Code §591 D.19-04-020 (p. 37).
[9] D.19-04-020 pp 34-37; O.P. 10 and Attachment 2 for the full requirements. See also D.14-12-025 p. 44.

I.18-11-006. The SCE RSAR is available on the Energy Division RSAR webpage.[10] The review schedule for RSARs was served on A.19-08-013 and R.20-07-013 on April 8, 2021.

The schedule requested comments by July 29, 2021. The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) served comments on SCE 2020 RSAR report by the stated timeline. No other parties served comments.

STAFF ANALYSIS

SCE imputed authorized costs based on the GRC Settlement Agreement and Post Test Year Mechanism[11] for reportable programs.[12] SCE identified each GRC spending program related to safety reliability and maintenance. SCE identified 90 capital and 70 operation and maintenance (O&M) expense programs meeting the criteria of "RSAR-related" programs. Overall, the RSAR-related programs account for 54 percent and 84 percent of the 2020 GRC authorized O&M expense and capital, respectively.

Table A-1. 2020 Total GRC Amounts compared to Risk Spending Accountability Report Eligible Programs.

	O&M Expense ($000)	Capital ($000)
Total 2020 GRC Authorized	1,982,449	4,233,108
Total RSAR Expense in GRC Authorized[a]	1,060,858	3,545,519
Percent of RSAR-related programs of Total GRC Authorized	54%	84%
Total RSAR Recorded	1,047,705	3,247,505
Variance	(13,153)	(298,014)
Percent Variance of RSAR Authorized	-1.2%	-8.4%

a. Based on 2018 GRC authorized amounts with escalation

SCE updated the programs structure for SCE's 2021 GRC application and has updated the original authorized amounts across this new structure, sometime resulting in an imperfect match. SCE has also provided a roadmap of the current structure to the 2018 GRC.[13]

[10] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/risk-spending-accountability-reports/sce-2020-utility-report-rsar.pdf
[11] See the RSAR Appendix A for imputation methodology.
[12] D.19-04-020, p. 35 and 37; Program Definitions; section 5.1.1.
[13] See SCE 2020 RSAR, Appendix B.

SCE complied with D.19-04-020, Ordering Paragraph 10, which requires utilities to describe how each project relates to safety, reliability or maintenance.[14]

Lines of Business

Table A-2 presents RSAR-related programs along major lines of business and divided into O&M expense and capital programs. Variance of recorded cost to authorized cost at the at the capital program level is negative 8 percent (negative is under spent from authorized cost), but generation alone is negative 37 percent and the catch-all "other" is a positive 23 percent, essentially averaging out the overall variance. Capital distribution programs have the largest total dollar underspend of $425 million, averaged out with an overspend of $275 million on other programs within capital distribution. The pattern is similar for O&M expenses where the average variance is 1 percent, but within individual lines of business the variances exceed 20 percent. Overall, the recorded cost on RSAR-related programs shows an underspend of $311 million.

Table A-2. 2020 Authorized and Recorded Costs

	Sum of Recorded Costs ($000)	Sum of Authorized Costs ($000)	Sum of Positive Variances ($000)	Sum of Negative Variances ($000)	Sum of Variances ($000)	Percent Variance
Capital						
Distribution	1,668,870	1,818,799	275,550	(425,476)	(149,926)	-8%
Generation	69,480	109,802	5,644	(45,965)	(40,321)	-37%
Transmission	884,351	1,108,330	61,910	(285,887)	(223,977)	-20%
Other[a]	624,804	508,591	179,016	(62,802)	116,214	23%
Sub-Total	3,247,505	3,545,522	522,120	(820,130)	(298,010)	-8%
O&M Expense						
Distribution	352,123	322,717	47,687	(18,284)	29,403	9%
Generation	154,410	171,586	46	(17,222)	(17,176)	-10%
Transmission	109,711	106,272	20,034	(16,594)	3,440	3%
Other[a]	431,463	460,284	48,829	(77,647)	(28,818)	-6%
Sub-Total	1,047,707	1,060,859	116,596	(129,747)	(13,151)	-1%
TOTAL	**4,295,212**	**4,606,381**	**638,716**	**(949,877)**	**(311,161)**	**-7%**

a. Other programs include customer contact, software licenses and maintenance, cyber security, and education and outreach. For a complete list of programs see Attachment B.

Table A-3 shows the total number of programs and variances by major business line. On average 37 percent of the programs exceeded the variance threshold. The largest number of programs and the largest percentage of variances are with capital distribution with 37 programs and 26 variances.

[14] D.19-04-020, pp. 36-37.

Table A-3. Number of Programs and Variances in RSAR

	Total Activities	Cost Variances [a]	Unit Variances [b]	Total Variances	Percent Variance
Capital					
Distribution	37	13	18	26	70%
Generation	12	1	1	1	8%
Transmission	22	5	7	10	45%
Other	19	3	6	8	42%
Sub-Total	90	22	32	45	50%
O&M Expense					
Distribution	21	2	2	4	19%
Generation	6	1	0	1	17%
Transmission	16	1	2	4	25%
Other	30	4	6	7	23%
Sub-Total	73	8	10	16	22%
TOTAL	**163**	**30**	**42**	**61**	**37%**

a. Criteria for Cost Variance between allocated and spent that triggers an explanation:
Expense Variance > $10 million or >$5 million and 20 percent
Capital Variance > $20 million or >$10 million and 20 percent

b. Unit Variance between adopted units and actual units that triggers an explanation > 20 percent

Balancing Accounts

ED staff found the Report met requirements for cost recovery of actual expenditures for balancing or memorandum account related expenditures.[15] Table A-4 shows the 2020 actuals for the balancing or memorandum accounts totaled nearly $2.0 billion with $0.8 billion in O&M expenses and $1.1 billion in capital. The balancing and memorandum accounts accounted for 30 percent of the total 2020 RSAR related spending. Wildfire related activities are recorded in four separated memorandum accounts and account for 67 percent of the total RSAR-related memorandum and balance account spending or $1.3 billion, which is greater than the $1.1 billion of GRC authorized O&M expenses for 2020. SCE may only recover costs above the authorized amount through future applications. The Fire Hazard Prevention Memorandum Account (FHPMA), the Wildfire Mitigation Plan Memorandum Account (WMPMA), and Fire Risk Mitigation Memorandum Account (FRMMA) are reviewed in the GRC. The Grid Safety and Resiliency Program Balancing Account (GSRPBA) is recovered through an advice letter[16].

[15] D.19-04-020 p. 37 and OP 10, p. 66.
[16] GSRBA was transferred to the Base Revenue Requirement Balancing Account via advice letter 4197-E in December 2020.

Table A-4. 2020 Memorandum and Balancing Accounts Compared to Total RSAR-Related Spending

	O&M Expense ($000)	Capital ($000)	O&M Expenses + Capital ($000)
Catastrophic Event Memorandum Account (CEMA)			
CEMA Heat Wave and Wildfire	202,709	340,611	543,320
CEMA COVID	44,480		44,480
CEMA Drought	34,422		34,422
CEMA Sub-Total	**281,611**	**340,611**	**622,222**
Wildfire Activities			
GSRPMA[a]	75,540	589,830	665,370
FRMMA[b]	12,705	6,034	18,739
WMPMA[c]	204,952	172,040	376,992
FHPMA[d]	252,317	-	
Wildfire Activities Sub-Total	**545,514**	**767,904**	**1,313,418**
MMMBA - Mobilehome Park Master Metering Account	67	24,584	24,651
TOTAL RSAR Memorandum and Balancing Accounts	**827,192**	**1,133,099**	**1,960,291**
Percent of Total RSAR Expenses	44%	24%	30%
GRC Authorized RSAR Expense [e]-	1,060,858	3,545,519	
TOTAL RSAR Related Expense	**1,888,050**	**4,678,618**	**6,566,668**

a. Grid Safety and Resiliency Program Memorandum/Balancing Account
b. Fire Risk Mitigation Memorandum Account (FRMMA), collectively referred to as Fire Mitigation Mas
c. Wildfire Mitigation Plan Memorandum Account
d. Fire Hazard Prevention Memorandum Account
e. see Table A-1 for GRC Authorized RSAR expense

Canceled, Deferred, or Expanded Programs

Canceled or Deferred Programs

SCE complied with requirements[17] to provide information on canceled, deferred, or expanded programs via their variance explanations, but did not explicitly define each variance by those categories. Of the 61 program variances, 28 variances reference being deferred due to COVID-19 related delays.

Three programs appeared to be canceled or deferred because they had an imputed authorized amount but zero actual spending (a negative100 percent variance), but these programs were not defined as the authorized amount was below the threshold. SCE should add introductory paragraphs explaining how the report meets O.P. 11(a) and each section of the report should have additional columns describing the status of the program including "canceled" or "deferred". Explanations

[17] D.19-02-040 O.P. 11(a).

should refer to some of the more common canceled or deferred issues including deferred work requirements found in the GRC decision or state or federal regulations. COVID-19 related emergency orders, or other orders contributing to delays, should be cited. Likewise, SCE should explain why cases with authorized revenue but no actual spending are not considered canceled or deferred.

Expanded Programs

In contrast with canceled or deferred projects, which result in underspending (negative variance), utilities are also required to report expanded programming, which often results in overspending (positive variance). Moreover, if no costs are imputed for the project, it will have a variance of 100 percent. This type of programming, often called "emergent" activity, is not always well-defined. When the emergent work is the result of a low forecast or new state or federal mandates, the justification should explain the scope expansion or cite the specific mandate citing.

Pandemic Impacts

Staff found that COVID-19 related explanations generally conformed to canceled or deferred programming requirements as well as state and federal guidance.[18] Variance explanations included higher costs due to equipment rentals or permitting, and generally linked COVID-19 precautions to construction delays or permits. These projects often resulted in higher unit costs even though the program was under spent.

Staff found 28 of the 33 underspent programs had variance explanations relating to the COVID-19 pandemic. While ED staff found pandemic-related explanations were sufficient to meet RSAR canceled or deferred programming requirements, details on how the pandemic impacted the program would provide a better understanding of the cost variance. In addition, the report should address whether the program will require additional funding to address the delays.

Program Work Units

SCE provided units for all programs where the units were defined in the 2018 GRC. SCE also claims that some programs consisting of multiple unique projects cannot be accurately divided into unit costs. ED staff suggest that even though the variability of unique projects within a program may be significant, unitizing the cost would provide useful bench marking. D.19-040-002 requires the IOU must include general explanation for the lack of inclusion of units.[19] As intervenors in the S-MAP proceeding have indicated, context is necessary to understand spending. SCE should also provide an explanation of how much work was accomplished and whether the amount of work done was sufficient to accomplish the company's safety, reliability or maintenance goals.

[18] Federal COVID guidance may be found at https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html and State guidance may be found at https://www.dir.ca.gov/dosh/coronavirus/

[19] D.19-04-020 p. 39.

Attachment B
SCE RSAR Programs Ranked by Spending Variance

Category	Expense Type	GRC Activity	Recorded Costs ($000) A	Authorized Costs ($000) B	Difference ($000) (A-B)	% Change (A-B)/B	Recorded Units C	Authorized Units D	Difference (Units) (C-D)	% Change (Units) (C-D)/D
Transmission	Capital	Transmission Substation Plan (TSP)	$89,875	$232,300	($142,425)	-61%	-	-	-	0%
Distribution	Capital	Overhead Conductor Program (OCP)	$30,067	$103,026	($72,960)	-71%	97	705	(608)	-86%
Transmission	Capital	Transmission Line Rating Remediation (TLRR)	$108,847	$170,835	($61,988)	-36%	-	-	-	0%
Distribution	Capital	Worst Circuit Rehabilitation (WCR)	$85,597	$133,593	($47,996)	-36%	172	350	(178)	-51%
Distribution	Capital	Automation	$39,135	$80,292	($41,156)	-51%	-	-	-	0%
Other	Capital	CRE Project Management	$63,714	$99,200	($35,486)	-36%	-	-	-	0%
Distribution	Capital	Distribution Substation Plan Substations	$67,776	$100,627	($32,850)	-33%	-	-	-	0%
Distribution	Capital	4 kV Cutovers	$62,573	$94,337	($31,765)	-34%	1,041	3,759	(2,718)	-72%
Transmission	Capital	Grid Reliability Projects	$248,090	$278,710	($30,620)	-11%	-	-	-	0%
Other	O&M	Technology Delivery	$9,035	$38,322	($29,287)	-76%	-	-	-	0%
Distribution	Capital	Underground Structure Replacements	$49,458	$76,987	($27,529)	-36%	79	285	(206)	-72%
Transmission	Capital	Substation Transformer Bank Replacement	$46,416	$71,983	($25,567)	-36%	14	31	(17)	-55%
Distribution	Capital	Cable Life Extension (CLE) Program	$77	$25,395	($25,318)	-100%	-	300	(300)	-100%
Generation	Capital	Hydro - Prime Movers	$2,375	$25,489	($23,114)	-91%	-	-	-	0%
Distribution	Capital	Cable-in-Conduit (CIC) Replacement Program	$22,954	$44,080	($21,126)	-48%	63	150	(87)	-58%
Distribution	Capital	Distribution Circuit Upgrades	$43,565	$64,064	($20,498)	-32%	-	-	-	0%
Distribution	Capital	Distribution Pole Loading Program Pole Replacement	$97,192	$117,545	($20,353)	-17%	3,310	7,342	(4,032)	-55%
Distribution	Capital	Streetlight Maintenance and LED Conversions	$36,233	$52,993	($16,760)	-32%	48,421	102,200	(53,779)	-53%
Other	Capital	Technology Solutions	$97,986	$114,680	($16,694)	-15%	-	-	-	0%
Distribution	Capital	Distribution Substation Plan (DSP) Circuits	$47,538	$63,974	($16,436)	-26%	-	-	-	0%
Transmission	Capital	Protection of Grid Infrastructure Assets	$13,554	$29,113	($15,559)	-53%	-	-	-	0%
Distribution	Capital	4 kV Cutovers - Load Growth Driven	$25,376	$38,809	($13,433)	-35%	531	755	(224)	-30%
Generation	O&M	Palo Verde	$73,719	$86,907	($13,188)	-15%	-	-	-	0%
Other	O&M	Training Seat-Time - Transmission and Distribution	$14,617	$27,750	($13,134)	-47%	-	-	-	0%
Distribution	Capital	Capacitor Bank Replacement Program	$5,261	$14,838	($9,577)	-65%	151	350	(199)	-57%
Other	O&M	Customer Contact Center	$40,836	$49,730	($8,894)	-18%	-	-	-	0%
Transmission	O&M	Transmission Line Rating Remediation (TLRR)	$44	$8,233	($8,190)	-99%	-	-	-	0%
Other	O&M	Work Force Protection/Insider Threat	$17,478	$25,428	($7,950)	-31%	-	-	-	0%
Distribution	O&M	Distribution Pole Loading Assessments	$14,667	$21,998	($7,331)	-33%	119,045	207,000	(87,955)	-42%
Generation	Capital	Hydro - Relicensing	$5,191	$12,297	($7,106)	-58%	-	-	-	0%
Distribution	Capital	Underground Switch Replacements	$6,465	$13,444	($6,979)	-52%	106	200	(94)	-47%
Distribution	Capital	Substation Equipment Replacement Program	$24,781	$30,709	($5,928)	-19%	175	92	83	90%
Generation	Capital	Hydro - Dams and Waterways	$10,024	$15,847	($5,823)	-37%	-	-	-	0%
Generation	Capital	Palo Verde	$36,376	$41,812	($5,435)	-13%	-	-	-	0%
Other	O&M	Safety Activities - Transmission & Distribution	$8,626	$13,820	($5,194)	-38%	-	-	-	0%
Other	O&M	Facility and Land Operations	$56,918	$61,681	($4,763)	-8%	-	-	-	0%
Distribution	O&M	Monitoring and Operating Substations	$45,514	$50,254	($4,741)	-9%	-	-	-	0%

Category	Expense Type	GRC Activity	Recorded Costs ($000) A	Authorized Costs ($000) B	Difference ($000) (A-B)	% Change (A-B)/B	Recorded Units C	Authorized Units D	Difference (Units) (C-D)	% Change (Units) (C-D)/D
Distribution	Capital	Distribution Transformers	$96,432	$101,057	($4,625)	-5%	26,989	30,862	(3,873)	-13%
Other	Capital	Cybersecurity Delivery and IT Compliance	$39,502	$43,971	($4,469)	-10%	-	-	-	0%
Other	Capital	Air Operations	$2,454	$6,675	($4,220)	-63%	-	-	-	0%
Transmission	Capital	Relays, Protection and Control Replacements	$54,815	$58,975	($4,159)	-7%	-	-	-	0%
Transmission	O&M	Monitoring Bulk Power System	$51,779	$55,922	($4,143)	-7%	-	-	-	0%
Distribution	Capital	New Capacitors	$4,790	$7,751	($2,961)	-38%	91	183	(92)	-50%
Generation	O&M	Mountainview	$22,873	$25,706	($2,833)	-11%	-	-	-	0%
Other	O&M	Business Planning	$35,298	$38,003	($2,704)	-7%	-	-	-	0%
Generation	Capital	Hydro - Decommissioning	$762	$3,176	($2,414)	-76%	-	-	-	0%
Distribution	Capital	Distribution Volt VAR Control and Capacitor Automation	$2,326	$4,673	($2,347)	-50%	496	480	16	3%
Transmission	O&M	Transmission Line Patrols	$3,544	$5,714	($2,170)	-38%	-	-	-	0%
Transmission	Capital	Transmission/Substation Storm Response Capital	$4,270	$6,406	($2,136)	-33%	-	-	-	0%
Other	O&M	Education, Safety and Operations	$7,313	$9,334	($2,021)	-22%	-	-	-	0%
Distribution	Capital	Distribution Tools and Work Equipment	$3,437	$5,134	($1,697)	-33%	-	-	-	0%
Distribution	Capital	Automatic Reclosers Replacement Program	$957	$2,507	($1,550)	-62%	15	30	(15)	-50%
Distribution	Capital	Distribution Wood Pole Disposal - Pole Loading Program	$0	$1,468	($1,468)	-100%	-	-	-	0%
Distribution	O&M	Streetlight Operations, Inspections, and Maintenance	$6,324	$7,711	($1,387)	-18%	-	-	-	0%
Distribution	O&M	Circuit Breaker Inspections and Maintenance	$4,675	$6,047	($1,373)	-23%	-	-	-	0%
Other	Capital	Communications Equipment	$696	$1,993	($1,297)	-65%	75	72	3	4%
Generation	Capital	Hydro - Electrical Equipment	$4,684	$5,864	($1,180)	-20%	-	-	-	0%
Other	O&M	Planning, Continuity and Governance	$870	$2,027	($1,157)	-57%	-	-	-	0%
Transmission	Capital	Transmission Capital Maintenance	$37,459	$38,584	($1,125)	-3%	-	-	-	0%
Distribution	O&M	Distribution Apparatus Inspection and Maintenance	$4,863	$5,918	($1,055)	-18%	-	-	-	0%
Other	O&M	Transmission/Substation Storm Response O&M	$664	$1,671	($1,008)	-60%	-	-	-	0%
Transmission	Capital	Transmission Tools and Work Equipment	$1,113	$2,068	($954)	-46%	-	-	-	0%
Distribution	O&M	Other Substation Equipment Inspections and Maintenance	$2,018	$2,955	($937)	-32%	-	-	-	0%
Transmission	O&M	Transmission Pole Loading Assessments	$1,373	$2,213	($839)	-38%	6,669	23,000	(16,331)	-71%
Distribution	O&M	Substation - Inspections and Maintenance	$1,325	$2,158	($833)	-39%	-	-	-	0%
Other	O&M	Training, Drills and Exercises	$1,830	$2,600	($770)	-30%	-	-	-	0%
Transmission	Capital	Substation Claim	$245	$985	($740)	-75%	-	-	-	0%
Generation	Capital	Peakers	$2,288	$2,964	($676)	-23%	-	-	-	0%
Generation	O&M	Solar	$1,024	$1,690	($666)	-39%	-	-	-	0%
Transmission	O&M	Equipment Washing	$888	$1,327	($439)	-33%	-	-	-	0%
Transmission	O&M	Transmission Intrusive Pole Inspections	$545	$911	($366)	-40%	13,526	12,000	1,526	13%
Other	Capital	Environmental Programs	$365	$712	($347)	-49%	5	15	(10)	-67%
Distribution	O&M	Substation O&M Breakdown Maintenance	$1,958	$2,302	($344)	-15%	-	-	-	0%

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Transmission	O&M	Insulator Washing	$1,011	$1,327	($316)	-24%	-	-	-	0%
Generation	O&M	Catalina - Diesel	$4,662	$4,973	($311)	-6%	-	-	-	0%
Other	O&M	Cybersecurity Delivery and IT Compliance	$16,074	$16,369	($295)	-2%	-	-	-	0%
Distribution	O&M	Load Side Support	$842	$1,124	($283)	-25%	-	-	-	0%
Other	O&M	Safety Culture Transformation	$2,066	$2,341	($275)	-12%	-	-	-	0%
Transmission	Capital	Transmission Pole Loading Program Replacement	$23,796	$24,055	($259)	-1%	622	989	(367)	-37%
Transmission	Capital	Telecommunication Inspection and Maintenance	$6,612	$6,855	($243)	-4%	-	-	-	0%
Generation	O&M	Peakers	$7,994	$8,218	($224)	-3%	-	-	-	0%
Generation	Capital	Solar	($5)	$212	($217)	-102%	-	-	-	0%
Other	O&M	Transmission Pole Loading Work Order Related Expense	$13	$208	($195)	-94%	-	-	-	0%
Distribution	Capital	Meter System Maintenance Design	$788	$952	($164)	-17%	-	-	-	0%
Other	Capital	Grid Management System	$41,627	$41,765	($138)	0%	-	-	-	0%
Other	Capital	Oil Containment Diversion System	$452	$572	($119)	-21%	-	-	-	0%
Transmission	Capital	Transmission Emergency Equipment	$0	$112	($112)	-100%	-	-	-	0%
Transmission	O&M	Transformer Inspections and Maintenance	$1,389	$1,500	($111)	-7%	-	-	-	0%
Other	Capital	Fleet Operations and Maintenance	$459	$491	($32)	-7%	-	-	-	0%
Transmission	O&M	Transmission Pole Loading Repairs	$345	$365	($20)	-5%	73	182	(109)	-60%
Distribution	O&M	Wildfire Work Order Related Expense Distribution	$0	$0	$0	-	-	-	-	0%
Transmission	Capital	Telecommunication Pole Loading Program Replacement	$3	$0	$3	-	-	-	-	0%
Other	O&M	Telecommunication Storm Response O&M	$36	$0	$36	-	-	-	-	0%
Other	Capital	Fleet Asset Management	$2,503	$2,464	$39	2%	-	-	-	0%
Other	Capital	Climate Adaptation and Severe Weather	$40	$0	$40	-	-	-	-	0%
Generation	O&M	Hydro	$44,138	$44,092	$46	0%	-	-	-	0%
Distribution	Capital	DER-Driven Grid Reinforcement	$54	$0	$54	-	-	-	-	0%
Distribution	O&M	Relay Inspections and Maintenance	$2,947	$2,879	$68	2%	-	-	-	0%
Transmission	O&M	Transmission Request for Attachment Inspections	$461	$284	$177	62%	-	-	-	0%
Transmission	Capital	Protection of Major Business Functions	$11,563	$11,384	$179	2%	-	-	-	0%
Other	O&M	Security Technology Operations and Maintenance	$4,454	$4,241	$213	5%	-	-	-	0%
Distribution	O&M	Distribution Intrusive Pole Inspections	$5,561	$5,285	$275	5%	133,095	119,500	13,595	11%
Other	O&M	Develop and Manage Policy and Initiatives	$18,656	$18,331	$326	2%	-	-	-	0%
Transmission	Capital	NERC Compliance Programs	$10,744	$10,334	$410	4%	-	-	-	0%
Distribution	Capital	PCB Transformer Removal	$1,994	$1,534	$461	30%	229	250	(21)	-8%
Other	O&M	Grid Mod Cybersecurity	$542	$0	$542	-	-	-	-	0%
Transmission	O&M	Roads and Rights of Way	$4,573	$3,957	$617	16%	-	-	-	0%
Other	Capital	Laboratory Operations	$4,496	$3,775	$721	19%	-	-	-	0%
Distribution	Capital	4 kV Substation Eliminations	$2,988	$2,228	$761	34%	4	9	(5)	-56%
Other	O&M	Public Safety	$756	($16)	$772	-4746%	-	-	-	0%

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Generation	Capital	Mountainview	$1,133	$339	$794	234%	-	-	-	0%
Other	O&M	Training Delivery and Development - Transmission and Distribution	$14,878	$13,993	$885	6%	-	-	-	0%
Generation	Capital	Catalina - Diesel	$1,437	$474	$963	203%	-	-	-	0%
Other	O&M	Employee and Contractor Safety	$4,368	$3,373	$995	30%	-	-	-	0%
Transmission	O&M	Wildfire Work Order Related Expense Transmission	$1,005	$0	$1,005	-	-	-	-	0%
Distribution	O&M	Patrolling and Locating Trouble	$23,395	$22,362	$1,033	5%	-	-	-	0%
Distribution	O&M	Meter System Maintenance Design	$3,280	$2,242	$1,038	46%	-	-	-	0%
Transmission	O&M	Transmission Underground Structure Inspection	$2,452	$1,391	$1,061	76%	-	-	-	0%
Transmission	Capital	Telecommunication Deteriorated Pole Replacement	$1,300	$0	$1,300	-	-	-	-	0%
Distribution	O&M	Dead, Dying and Diseased Tree Removal	$3,031	$1,433	$1,598	112%	-	-	-	0%
Generation	Capital	Protection of Generation Assets	$1,661	$0	$1,661	-	-	-	-	0%
Other	O&M	All Hazards Assessment, Mitigation and Analytics	$4,025	$2,358	$1,667	71%	-	-	-	0%
Other	O&M	Environmental Management and Development	$11,563	$9,875	$1,689	17%	-	-	-	0%
Other	O&M	Cyber Software License and Maintenance	$5,171	$3,470	$1,702	49%	-	-	-	0%
Transmission	O&M	Telecommunication Inspection and Maintenance	$4,859	$3,034	$1,825	60%	-	-	-	0%
Other	O&M	External Communications	$12,878	$11,051	$1,827	17%	-	-	-	0%
Transmission	Capital	Transmission Claim	$4,887	$3,053	$1,833	60%	-	-	-	0%
Distribution	O&M	Distribution Request for Attachment Inspections	$1,919	$0	$1,919	-	-	-	-	0%
Other	Capital	Substation Switchrack Rebuild	$21,921	$19,927	$1,994	10%	2	3	(1)	-33%
Distribution	Capital	Distribution Wood Pole Disposal	$4,383	$2,288	$2,095	92%	-	-	-	0%
Generation	Capital	Hydro - Structures and Grounds	$3,554	$1,328	$2,226	168%	-	-	-	0%
Distribution	Capital	Substation Tools and Work Equipment	$8,586	$5,906	$2,680	45%	-	-	-	0%
Transmission	O&M	Transmission O&M Maintenance	$12,048	$9,161	$2,887	32%	-	-	-	0%
Transmission	Capital	Circuit Breaker Replacement	$51,010	$47,573	$3,437	7%	172	220	(48)	-22%
Distribution	O&M	Distribution Underground Detail Inspections	$8,394	$4,748	$3,646	77%	175,404	161,693	13,711	8%
Distribution	O&M	Distribution Overhead Detail Inspections	$12,308	$8,003	$4,305	54%	17,418	17,513	(95)	-1%
Other	O&M	Distribution Storm Response O&M	$12,617	$7,972	$4,645	58%	-	-	-	0%
Other	O&M	Emergency Preparedness and Response	$6,699	$1,990	$4,709	237%	-	-	-	0%
Distribution	O&M	Distribution Pole Loading Repairs	$8,898	$3,329	$5,570	167%	3,924	1,634	2,290	140%
Distribution	Capital	Prefabrication	$21,472	$15,293	$6,179	40%	-	-	-	0%
Other	Capital	All Hazards Assessment, Mitigation and Analytics	$42,259	$35,906	$6,352	18%	-	-	-	0%
Other	O&M	Technology Infrastructure Maintenance and Replacement	$22,266	$14,789	$7,477	51%	-	-	-	0%
Distribution	Capital	Distribution Claim	$41,190	$31,358	$9,832	31%	-	-	-	0%
Distribution	Capital	Distribution Plant Betterment	$26,924	$16,754	$10,170	61%	-	-	-	0%
Other	O&M	Software Maintenance and Replacement	$74,913	$64,303	$10,610	16%	-	-	-	0%
Other	O&M	Environmental Programs	$26,003	$15,270	$10,734	70%	-	-	-	0%

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Distribution	O&M	Distribution Routine Vegetation Management	$78,752	$66,985	$11,767	18%	-	-	-	0%
Transmission	O&M	Transmission Routine Vegetation Management	$23,395	$10,933	$12,462	114%	-	-	-	0%
Transmission	Capital	Monitoring Bulk Power System	$56,166	$43,104	$13,062	30%	-	-	-	0%
Other	Capital	Grid Mod Cybersecurity	$22,892	$8,549	$14,343	168%	-	-	-	0%
Distribution	Capital	Distribution Deteriorated Pole Replacement	$182,108	$167,687	$14,421	9%	7,777	10,791	(3,014)	-28%
Distribution	Capital	Substation Emergency Equipment	$19,754	$4,937	$14,816	300%	-	-	-	0%
Distribution	Capital	Engineering and Planning Software Tools	$29,105	$14,227	$14,878	105%	-	-	-	0%
Transmission	Capital	Substation Capital Breakdown Maintenance	$24,143	$8,984	$15,160	169%	-	-	-	0%
Other	Capital	Technology Infrastructure Maintenance and Replacement	$70,222	$55,043	$15,178	28%	-	-	-	0%
Distribution	O&M	Distribution Preventive and Breakdown O&M Maintenance	$121,452	$104,984	$16,468	16%	-	-	-	0%
Other	Capital	Facility Asset Management	$48,603	$30,905	$17,698	57%	-	-	-	0%
Other	Capital	Software Maintenance and Replacement	$35,873	$11,961	$23,912	200%	-	-	-	0%
Distribution	Capital	Preventive Maintenance	$73,696	$49,413	$24,283	49%	-	-	-	0%
Transmission	Capital	Transmission Deteriorated Pole Replacement	$89,443	$62,917	$26,526	42%	3,027	2,558	469	18%
Distribution	Capital	Distribution Storm Response Capital	$117,622	$38,930	$78,692	202%	-	-	-	0%
Distribution	Capital	Distribution Preventive and Breakdown Capital Maintenance	$386,216	$289,989	$96,228	33%	-	-	-	0%
Other	Capital	Communications	$128,740	$30,002	$98,739	329%	-	-	-	0%