

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 9, 2020

Mr. Michael Lewis  
Senior Vice President, Electric Operations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
San Francisco, CA 94177  
VIA E-MAIL

Dear Mr. Lewis:

On December 7, 2020, the Administrative Law Judge in the Microgrids and Resiliency Rulemaking (R.19-09-009) released a proposed decision that addressed reserving temporary generation for the 2021 fire season. This proposed decision would require that PG&E “demonstrates ongoing consultation with local air quality agencies, aimed at ensuring the deployment of temporary generation at substations complies with applicable regulations.”<sup>1</sup>

With this letter, I strongly urge that PG&E begin meeting and conferring with local air districts about the possible placement and permitting of substation-level temporary generation meant to serve safe-to-energize load during Public Safety Power Shutoff (PSPS) events in the air districts’ jurisdictional areas. This outreach is needed to make necessary and proper preparations to implement directives that are likely to result from the Track 2 Decision in the Microgrids and Resiliency proceeding, and to best comply with broader air permitting requirements in California. While PG&E should not assume any outcome from the proceeding has already been determined, based on the record of the proceeding, PG&E should proactively meet and confer with local air districts to ensure the deployment of temporary generation complies with applicable regulations.

PG&E already has the duty to conduct its electric operations in a way that complies with broader state regulation outside the jurisdiction of the California Public Utilities Commission (CPUC), including by pursuing the correct permitting for its operations. PG&E is awaiting a CPUC determination on the exact criteria it must use when reserving temporary generation for the 2021 wildfire season and recording these costs to its Microgrids Memorandum Account. However, uncertainty about the future status of the temporary generation program details should not impede PG&E from proactively planning and taking timely actions to fulfill its existing obligations. PG&E must balance the risk of acting under uncertainty with the risk of failing to fulfill its current, ongoing responsibility to serve customers safely and reliably.

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<sup>1</sup> <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M353/K645/353645651.PDF>; Appendix A, Page A2.

Mr. Michael Lewis, Senior Vice President, Electric Operations

December 9, 2020

Page 2

Although the Track 2 Proposed Decision in R.19-09-009 is still being considered by the CPUC, I ask that PG&E begin making all necessary and appropriate preparations to fulfill the proposed criteria for the temporary generation program. PG&E should update local air districts with the results of the 2020 temporary generation deployment and communicate plans for 2021 temporary generation deployment. The meetings should be initiated before the end of this year and aim to arrive at a mutually acceptable agreement enabling PG&E to provide temporary generation to safe-to-energize substations. PG&E should notify the CPUC of any problems that arise in planning or during these meetings. Documentation of these meetings could then be submitted by PG&E in a future Advice Letter addressing the 2021 temporary generation program.

I also note that under California's regulatory framework, PG&E maintains managerial discretion and flexibility to conduct its utility business, under CPUC's oversight. PG&E already has the authority and obligation to communicate with local authorities and obtain any non-discretionary local permits for its infrastructure and operations, and to this end regularly interacts with local air districts and the California Air Resources Board in order to meet federal, state and local air permitting requirements.

In conclusion, I request that PG&E prepare itself to respond expeditiously to any directives to coordinate with local air districts that may arise from the CPUC's Microgrids and Resiliency proceeding. I also remind PG&E that it must continue to fulfill its obligation to deliver safe and reliable power by timely seeking all adequate permits.

Sincerely,



Rachel Peterson

Acting Executive Director

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Mr. Michael Lewis, Senior Vice President, Electric Operations

December 9, 2020

Page 3

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