

*Southern California Edison*  
*2022-WMPs – 2022 Wildfire Mitigation Plan Updates*

**DATA REQUEST SET M G R A - S C E - 0 0 2**

**To: MGRA**  
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**Response Date: 3/10/2022**

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**Question 09:**

Please provide the analysis supporting the conclusion that fire resistant poles have an RSE of 3,725. (p. 72).

**Response to Question 09:**

SCE's general RSE calculation methodology can be found on page 69 of its 2022 WMP Update.

In summary, the calculation for the FR Poles RSE follows the steps below:

1. Use historical counts to forecast baseline (in absence of mitigations) CPUC ignition counts.
2. Gather data for the program (FR Poles):
  - a. Cost forecast, factoring in costs from enabling activities
  - b. Mitigation Effectiveness values (between 0-100%), denoting the effectiveness of reducing
    - i. Risk driver frequency (which accounts for post-construction quality control findings), and
    - ii. Consequence of events (0% overall, since FR Poles is not a consequence mitigation)
  - c. Prospective units to be installed, and
  - d. Years of useful life
3. Calibrate the WRRM to the forecast baseline 2022 CPUC ignition levels, converting probabilities to frequencies.
4. Estimate risk reduction on potential 2022 scope
  - a. Since scope is not yet determined, filter for potential scope — high-fire locations that do not have covered conductor yet installed
  - b. Use the risk buydown curve to mark the highest risk locations up to the number of units to be installed in 2022
  - c. Calculate the risk reduction on those locations by applying the mitigation effectiveness to the particular asset's risk drivers and/or consequences and comparing the resulting risk with the baseline risk. The difference is the risk reduction.
5. Calculate the net present value (NPV) of the risk reduction by applying the years of useful life as the time horizon.

6. Calculate the RSE by dividing the NPV of risk reduction by the cost forecast.

The attached Excel spreadsheet contains the key data inputs used in the RSE calculation.

- “mitigation\_units\_FR\_Poles”:
  - (2a) 2022 costs, including enabling activity costs
  - (2c) 2022 count of prospective installations,
  - (2d) useful life
- “mit\_eff\_driver\_FR\_Poles”:
  - (2bi) Mitigation effectiveness of reducing risk driver frequencies
- “mit\_eff\_conseq\_FR\_Poles”:
  - (2bii) Mitigation effectiveness of reducing consequences of events

Further, if helpful, SCE can provide the R script that runs the modeling calculations, upon request.