

2021 LTIP Metric Summary

I. DETAILS	
1. Metric name	System Hardening Effectiveness
2. Risk impacted	Wildfire Risk
3. Definition	<p>Count of circuit miles worked under System Hardening program within high-fire risk areas to reduce wildfire risk through either (1) rebuild of overhead circuitry to current hardening design standards (2) undergrounding (3) removal of overhead circuitry (line removal) (4) enablement for remote grid. This work is performed in HFTD Tiers 2/3 and Tier 1 HFRA.</p> <p>The metric includes Fire Rebuild work and any work associated with Public Safety Power Shutoff (PSPS) that is consistent with the 4 above mitigations.</p> <p>The following conditions must be met or LTIP score for this metric will be 0:</p> <p>Condition 1: 80%¹ of system hardening miles must be high-risk miles over the three-year reporting period. High-risk risk areas are defined as:</p> <ol style="list-style-type: none"> 1. Top 20%² of approved risk model buydown curve 2. Fire rebuild miles 3. PSPS mitigation miles <p>Condition 2: At least 5%, 10% and 15% of the completed System Hardening project portfolio³ over the three-year reporting period must be Undergrounding or Line Removal work.</p> <p>The risk model, risk scores, mitigation effectiveness weights, list of risk-prioritized System Hardening projects and program funding level are approved and governed by the Wildfire Risk Governance forum.</p> <p>The System Hardening projects are recorded as complete and included in metric calculations when individual spans/sections for each project are constructed and inspected for quality control and quality assurance against the hardening design standard and passed as “fire safe”.</p> <p><i>¹Basis of the 80% is to allow for operational execution considerations including permitting, weather related access, and mob/demob efficiencies</i></p> <p><i>²Basis of the top 20% correlates to ~70% of the risk on the risk buydown curve</i></p> <p><i>³Risk reduction effectiveness for Overhead Hardening is estimated at 62% and Undergrounding or Line Removal is estimated at 99%</i></p>
4. Units and calculation	Units are number of circuit miles complete, rounded to whole miles for LTIP score calculation. LTIP score is determined by number of actual circuit miles complete compared to LTIP 0.5, 1.0, and 2.0 targets for planned circuit miles
5. Measurement system / reporting process	Work execution plan reporting from SAP and iAuditor provided by Electric Ops – Major Programs / Project Delivery (MPP)
6. Exclusions and exceptions	<ul style="list-style-type: none"> - Projects completed prior to 01/01/2021 or after 12/31/2023 - Butte County Rebuild miles - System Hardening work performed outside of HFTD / HFRA

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7. Benchmarking (External benchmarks or internal performance)	No external benchmarking is available. 2019 and 2020 performance is used as a baseline.
8. Related KPIs (e.g. leading indicators)	N/A

II. HISTORICAL AND PROJECTED PERFORMANCE					
	Actual	Target/Forecast	1 st Quartile	2 nd Quartile	3 rd Quartile
2017	N/A				
2018	N/A				
2019	171				
2020	236 ¹				
2021		320			
2022		368			
2023		416			

¹As of October 6, 2020. Includes Fire Rebuild circuit miles.

III. TARGETS					
1. Targets	Score	2021	2022	2023	2021-2023
	0.5	305	350	396	1,051
	1.0	320	368	416	1,103
	2.0	350	403	455	1,209
2. Target type	<input checked="" type="checkbox"/> Higher is better <input type="checkbox"/> Range: <input type="checkbox"/> Lower is better				
3. Target-setting methodology	<ul style="list-style-type: none"> Target is set at 5% higher than Threshold and considers operational execution risks and limitations Threshold for 2021 is set in alignment with the preliminary 2021 System Hardening project portfolio. The 2022 Threshold escalates 2021 by 15% and 2023 Threshold escalates 2021 by 30%, consistent with the Wildfire Mitigation Capital Funding forecast and the execution of the 13-year plan focusing on top 20% circuit protection zones by 2032. Stretch is set at 15% higher than Threshold and I considers operational execution limitations 				
4. Definitions of key terms	Term	Definition			Source
	HFTD	High Fire Threat District			
	HFRA	High Risk Fire Areas			

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5. Supporting documents	N/A
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IV. OWNERSHIP

1. Contacts	Type	Name (LAN ID)	Title	Phone
	Preparer			
	Backup			
	Escalation			
2. Approvers (final approver must be SVP or equivalent)	Name (LAN ID)		Title	
	TBD		Sr. VP, Electric Operations	