

# PSPS Execution

Public Safety Power Shutoff: a recurring, high-stakes process where value is won or lost every fire season

Compliance reporting asks whether each PSPS event followed the rules. EPM asks what the whole de-energise-to-restore process is worth, and shows that customer safety, notification integrity and fast, safe restoration are the assets under regulatory and financial scrutiny.

## 01 The Process, and Why It Is Under Scrutiny

### THE REGULATORY REALITY NOW

Public Safety Power Shutoff (PSPS) de-energises the grid before extreme fire weather, then patrols, repairs and re-energises it afterwards. Regulators treat it as a **measure of last resort** and hold utilities accountable for how well each event is executed, not just whether power was cut.

#### WHY SCRUTINY IS RISING

California's CPUC has penalised execution failures across multiple utilities; strict wildfire liability (inverse condemnation) and a multi-billion-dollar wildfire fund raise the stakes; and PSPS rules are now spreading eastward to other states. Boards face this every fire season, repeatedly.

### THE DEEPER ECONOMIC-PROCESS FAILURE

PSPS is easy to govern as a **weather-triggered switching operation**: cut power, wait, restore. The real economic process is two linked value chains: *decide and de-energise while keeping vulnerable customers safe and correctly informed*, then *inspect, repair and restore as quickly as it is safe to do so*.

The value at stake is not the switching. It is wildfire risk avoided, customer safety, regulatory compliance and public trust, set against the real cost every outage-hour imposes on customers and the economy.

**Run as a switching task, that full economic structure stays invisible, which is exactly where penalties and harm accumulate.**

## 02 Decompose — What a PSPS Event Is Really Made Of

### Information

- fire-weather & fuel-moisture forecasts
- circuit & fire-risk maps
- de-energisation scope
- customer & Medical Baseline lists
- notification delivery & confirmation
- field patrol & damage findings
- restoration status
- post-event report data

### Actions

- forecast & decide scope
- notify customers & partners
- de-energise circuits
- support vulnerable customers
- patrol & inspect lines
- repair damage
- re-energise segment by segment
- report to the regulator

### Systems

- weather & fire models
- outage & switching systems
- notification platform (often a vendor)
- customer & Medical Baseline data
- field & patrol tools (crews, aircraft, drones)
- Community Resource Centres
- regulatory reporting

### People

- operational leadership
- meteorology & grid operators
- field crews & patrol pilots
- customer-notification staff
- Medical Baseline & AFN customers
- public-safety partners
- the regulator
- the Board

**What this exposes:** the switching is the easy part. Value and risk concentrate in the information (who is notified, and confirmed), the vulnerable-customer actions, and the restoration effort, most of it dependent on a notification vendor, list quality and patrol capacity that a "switching" framing sidelines.

## 03 Attribute — Where the Economic Value Actually Sat

### PROCESS COMPONENT

### ECONOMIC VALUE EPM WOULD ATTRIBUTE

#### Accurate scope decision

**Very high risk value:** too broad harms customers and erodes trust; too narrow risks catastrophic fire liability.

#### Notification integrity

**High compliance & safety value:** confirmed reach, especially to Medical Baseline customers, is where penalties have concentrated.

#### Vulnerable-customer support

**High safety value:** for life-sustaining-equipment users an outage is a safety event, not an inconvenience.

#### Restoration speed (done safely)

**High economic value:** every safely-avoided outage-hour is real value returned to customers and the economy.

#### Post-event data & learning

**High option value:** each event's data can improve the next, if it is captured and fed back.

#### Switching & patrol execution

Necessary enabling cost, **but value-neutral on its own**: cutting and restoring power is not the same as delivering the outcome.

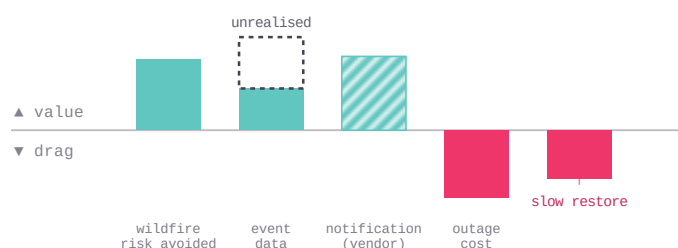
**Why this matters:** scored this way, notification and vulnerable-customer support stop being compliance overhead and become the highest-value, highest-risk components, and restoration speed becomes an economic figure the Board can govern.

# From value profile to *the decisions it changes going forward*

## 04 Diagnose — The Patterns EPM Surfaces

THE ECONOMIC VALUE PROFILE OF A PSPS EVENT

ILLUSTRATIVE · RELATIVE VALUE, NOT DOLLAR FIGURES



Scored across the value lenses, a PSPS event shows enormous risk-avoidance value alongside real, recurring drag. The profile is a **ledger, not an event log**: the hatched bar is notification run by a vendor with no accountable value-owner, and the dashed cap is learning each event produces but rarely feeds back into the next.

### NOTIFICATION OWNERSHIP GAP

Customer reach **delegated to a vendor or system with no accountable value-owner**, where penalties have repeatedly landed.

### VULNERABLE-CUSTOMER BLIND SPOT

**Medical Baseline and access-and-functional-needs** customers treated as a list, not as a safety-critical outcome.

### OVER-BROAD DE-ENERGISATION

Cutting **more customers than the fire risk requires**, multiplying avoidable outage cost.

### SLOW RESTORATION

Patrol, repair and re-energise capacity **lagging the value of getting customers back safely**.

### UNREALISED LEARNING

Weather, circuit and notification data from each event **not captured to improve the next**.

### COMPLIANCE-AS-AFTERTHOUGHT

Reporting treated as **paperwork after the event** rather than a governed, value-bearing process.

## 05 Redesign — The Decisions Visibility Enables

### AMPLIFY

Strengthen and confirm notification reach, especially to Medical Baseline and AFN customers, and give it an accountable owner.

### SUBSTITUTE

Replace "compliant / not compliant" reporting with governed measures of safety, confirmed reach and safe restoration speed.

### RESEQUENCE

Feed each event's weather, circuit and notification data back into scoping and readiness before the next event, not after.

### ELIMINATE

Remove over-broad de-energisation and avoidable restoration delay by governing scope and patrol capacity against their economic cost.

## 06 What's In It For Operational Leadership and the Board

### IF YOU LEAD OPERATIONS

"We report every event as compliant or not. EPM asks the sharper operational question: *did we keep vulnerable customers safe, reach everyone we de-energised, and restore as fast as safety allowed? Those are the numbers we can actually manage.*"

### IF YOU SIT ON THE BOARD

"PSPS is a recurring, regulated exposure, not a one-off. EPM puts penalty risk, disallowed cost recovery and outage cost on one page, so the Board can govern the process against its economics before the next fire season, not explain it afterwards."

### THE CREDIBLE ALTERNATIVE OUTCOME

Not a claim that EPM prevents every fire or outage. Rather, that **notification reach, vulnerable-customer safety and safe restoration speed become governed, measured outcomes**, so scope decisions, vendor accountability and patrol capacity are set against their real economic and regulatory weight. The result is fewer penalised failures, lower avoidable outage cost, and a process the Board can defend to regulators, before the next event rather than after it.

EPM forward-looking interpretation. Penalties, events and regulations referenced are drawn from public CPUC and legislative sources; the EPM value profile, attribution, diagnoses and redesign are an analytical interpretation, not a finding of any regulator. EPM does not guarantee compliance or prevent wildfires or outages. It changes how the PSPS process is governed before each event, so decisions reflect its true economic and safety value. Primary sources: CPUC PSPS penalties & guidelines (2020-2024 AEOs/ACOs; D.19-05-042, D.20-05-051); AB 1054 (2019); SB 254 (2025); utility PSPS post-event reports.