



February 4, 2020

Senator Jeff Golden, Chair
Committee on Wildfire Reduction & Recovery
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

RE: Consumer-Owned Utility Comments on Utility Provisions of SB 1536

Dear Chair Golden, Vice-Chair Baertschiger, and Members of the Senate Committee on Wildfire Reduction & Recovery:

Thank you for the opportunity to provide comment on SB 1536, implementing several recommendations from the Governor's Council on Wildfire Response. Our comments are limited to the sections pertaining to utilities, Sections 1 – 7.

First, we want to thank Governor Brown and members of the Council on Wildfire Response for their critical work on behalf of the State of Oregon. In many of our service territories, wildfire is a threat to our mission of safe, reliable, and affordable electricity. In those areas most at risk, consumer-owned utilities (COUs) are redoubling efforts to prevent and mitigate fire risk. SB 1536 builds on those efforts.

While we agree that it makes sense for all utilities to evaluate their wildfire risk, we appreciate the recognition in SB 1536 that IOUs and COUs have different business and governance models that warrant unique statutory treatment.

Additionally, while all consumer-owned utilities are not-for-profit and governed by locally elected boards, each of Oregon's 36 COUs has its own unique service territory. These service territories vary widely – from the smallest COU with just 15 miles of distribution line that are primarily underground in the City of Drain, to Harney Electric Cooperative with over 2,400 miles of distribution and 350 miles of transmission line, serving farmers and ranchers in six rural counties. Because our service territories have different risk profiles, we appreciate the flexibility that SB 1536 provides in allowing the wildfire mitigation plan to be tailored to the unique risks of the COU. We also appreciate the bill's recognition that these plans are operational decisions that should be approved by the governing body of our utilities.

The requirement in Section 4 (2) that the COU submit a wildfire mitigation plan to the governing board of the utility every three years appears to be inconsistent with the language in (3) that the utility shall review and revise the assessment on a schedule that the governing body deems consistent with prudent utility practices. We prefer the less prescriptive language in (3) because it contemplates updates and revisions to the initial plan rather than an entirely new plan every three years. Additionally, the update language in (3) is more closely aligned with the stated intent that risk dictate the necessity of an update rather a new

plan on an arbitrary three-year interval. Depending on conditions, a more frequent update may be necessary. As a result, we recommend removal of the second sentence in Section 4 (2).

In Section 4 (3) we recommend taking out the language “to determine the extent to which facilities contribute to the direct causation of wildfires.” This language is unnecessarily narrow and confusing.

Section 4 (4) requires that the approved wildfire mitigation plan be submitted to both the Public Utility Commission (OPUC) and the State Department of Energy (ODOE) to facilitate commission and department functions regarding statewide wildfire mitigation planning and wildfire preparedness. While we appreciate that the OPUC is designated in the State Emergency Management Plan as the liaison to both IOUs and COUs in the event of a disaster or emergency, ODOE’s emergency response activities are focused on petroleum disruptions, liquefied natural gas mishaps, and radiological emergencies. Absent clarification in SB 1536 of ODOE’s role in statewide wildfire mitigation planning and preparedness, we object to the proposed double filing requirement.

Because both IOUs and COUs are already currently subject to National Electrical Safety Code (NESC) standards for vegetation removal, we suggest that Section 4 (5) be removed from the bill. Or, in the alternative, that the language in Section 4 (5) be replicated in the IOU sections of the bill to clarify that these standards are the same for all electric utilities.

Thank you for your consideration. We look forward to the ongoing discussion of best practices at the PUC-hosted workshops in Section 5.