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March 15, 2021

The Honorable Jeff Golden
Chairman, Senate Committee on Natural Resources and Wildfire Recovery
900 Court Street NE
Salem, OR 97301

RE: Senate Bill 287 – Letter of Support

Dear Chair Golden,

PacifiCorp is an integrated electric utility serving over 2 million customers in six states across the Pacific Northwest and Rocky Mountain regions. In Oregon, we operate as Pacific Power and serve approximately 627,000 customers. As the state's largest rural electricity provider, we recognize the importance of wildfire mitigation to every community we serve.

To that end, we are writing in support of Senate Bill 287, specifically the sections addressing wildfire mitigation plan requirements for electric utilities, covered in Sections 1-6 of the bill as introduced.

As the committee is aware, in January 2019 Governor Kate Brown signed an executive order creating the Governor's Council on Wildfire Response. The Council was tasked with reviewing Oregon's current model for wildfire prevention, preparedness and response, and analyzing the sustainability of the current model to provide recommendations for improvement.

Over the year, the Council extensively reviewed current wildfire practices with cross-industry stakeholders and identified the need for a comprehensive strategy to create fire-adapted communities, restore and maintain resilient landscapes, and address funding for wildfire response.

One of the highest priority recommendations in the Council's report was directed at the Oregon Legislature to pass legislation requiring utilities to prepare statewide, risk-based, wildfire mitigation plans. The wildfire mitigation plans:

- Require a risk-based approach to implement situational awareness, asset hardening and operating protocols to protect public safety across the state.

- Are intended to minimize the probability that electrical infrastructure may be the origin or contributing source for the ignition of a catastrophic wildfire.
- Provide an approach that appropriately balances the cost of mitigation with the risk of potential wildfire.
- For investor-owned utilities, the plans are overseen and approved by the Public Utility Commission, which will provide the necessary flexibility for the plans to address each utility's unique circumstances and evolve over time.

As evidenced by our company's support of similar legislation in 2020, Pacific Power continues to support the recommendation that utilities operate in compliance with risk-based wildfire protection plans approved by the Public Utility Commission.

For the 2021 Legislative Session, Pacific Power, Portland General Electric, and Idaho Power have worked together on language to amend Senate Bill 287.

The companies' proposed amendment language includes:

- **Section 2:** A consistency change from "electric companies" to "public utilities that provide electricity" and a change from "consumer-owned utilities" to "municipal electric utilities, people's utility districts organized under ORS chapter 261 that sell electricity, electric cooperatives organized under ORS chapter 62."
- **Section 3 (subsections 2-3):** A requirement that a utility's wildfire mitigation plan identify areas both within the utility's service territory and outside the service territory but within a reasonable distance at heightened wildfire risk. The intent of this language is to ensure that wildfire mitigation plans cover both our service territory and transmission and distribution corridors outside of our service territory.
- **Section 3 (new subsections 6-9):** This cost recovery language includes nonbypassability requirements to ensure that all customers pay the costs of wildfire mitigation plan implementation.
- **Section 7 (new):** This language clarifies that Sections 3 and 4 do not affect the terms or conditions of easements held by an electric utility over private land. This language was included in Senate Bill 1536 from 2020.
- **Section 8 (new):** This language clarifies that Sections 3 and 5 do not apply to municipal electric utilities organized under Chapter 225.

We appreciate the committee's acknowledgement of the Governor's Council on Wildfire Response's work. Senate Bill 287 is an important piece of legislation that establishes standards and procedures that a utility should prudently implement to mitigate the risk of catastrophic wildfire. We look forward to working with you and other stakeholders on this issue.

Sincerely,



Annette Price