



May 31, 2023

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UM 2207—PacifiCorp’s Comments on the Independent Evaluator Report on Pacific Power’s 2023 Wildfire Mitigation Plan

PacifiCorp d/b/a Pacific Power (Pacific Power or the Company) respectfully submits these comments to the Public Utility Commission of Oregon (Commission) regarding the Independent Evaluator (IE) Report (IE Report), completed by Bureau Veritas. The IE Report contains the IE’s evaluation of Pacific Power’s 2023 Wildfire Mitigation Plan (WMP), which was filed by Pacific Power on December 29, 2022, to fulfill the formal plan requirements in Oregon Revised Statute § 757.963 and Oregon Administrative Rules 860-300-0020, 860-300-0030 and 860-300-0040. Pacific Power appreciates the comprehensive and thoughtful nature of the IE’s review. The overriding purpose of the WMP is to guide Pacific Power’s wildfire mitigation strategies in Oregon, and Pacific Power values feedback which helps inform and improve the WMP.

As indicated in the IE Report, the IE found that Pacific Power’s WMP “Met” or “Substantially Met” the IE’s “Expectation of Demonstrated Compliance” on all 30 individual description items in the IE Report.¹ Accordingly, Pacific Power will focus these comments on the “Key Recommendations” made by the IE.

Pacific Power found the IE’s suggestions to be informative. In conjunction with any future guidance from the Commission and Commission Staff regarding those specific features of the WMP, Pacific Power will review and consider integrating the IE’s suggestions in the next plan update. In considering the IE’s evaluation and recommendations at this juncture, however, Pacific Power offers the following clarifications and additional context.

I. Evaluating program effectiveness will be iterative and take time

Key Recommendation: The IE recommends that for future WMPs Pacific Power include the analysis of comparing measured risk reduction of plan activities to their costs, a cost-benefit analysis.

Pacific Power agrees with the IE’s recommendation and recognizes the importance of assessing and measuring program effectiveness to inform continuous improvement and

¹ Pacific Power notes that these 30 category descriptions reflect the IE’s interpretation of the requirements in OAR 860-024-0018, OAR 860-300-0020, OAR 860-300-0040, OAR 860-300-0050, and OAR 860-300-0070. While the IE’s interpretation is not binding and cannot add regulatory requirements, Pacific Power accepts these category descriptions as a useful approach for framing the review.

prioritization of projects over time to mitigate the risk of wildfires. To this end, Pacific Power is investing in data analytics and modeling software in 2023 to begin compiling data to conduct long term trend analysis, validate risk modeling assumptions and outputs, enable Risk-Spend Efficiency (RSE) calculations, and evaluate overall program effectiveness. Pacific Power is also actively collaborating with other utilities through various industry working groups and consortiums to advance the company's RSE calculation and effectiveness modeling capabilities but has yet to identify a consistent methodology to estimate and evaluate the full effectiveness of wildfire mitigation programs. Additionally, the long-term effectiveness of wildfire mitigation programs, as the name implies, may take time to assess as new data is collected to evaluate trends in comparison to existing or historic data, to the extent that historic data is available. Nonetheless, Pacific Power is committed to advancing this capability and simply cautions that utilities can only provide data to the extent that data is available, determining the effectiveness of wildfire mitigation programs may take time, and the overall risk modeling and effectiveness evaluation process is expected to be iterative and continuously evolving.

II. Pacific Power's Oregon wildfire risk map does not have multiple tiers

Key recommendation: The IE recommends that in future WMPs, Pacific Power show the two-tier map for Tier 2 and Tier 3 wildfire risk zones across its entire territory in Oregon and clearly delineate the transmission lines across the different zones and tier.

This recommendation requires a point of clarification. Pacific Power understands that this recommendation would apply if a risk analysis included a two-tier assessment of risk, with resulting geographic areas in each respective tier. But Pacific Power does not have Tier 2 and Tier 3 areas identified in its Oregon service territory. As described in Pacific Power's WMP, the areas of heightened risk of wildfire in the company's Oregon service territory, which are expected to remain fixed for multiple years, are grouped together and referred to as the Fire High Consequence Area (FHCA). The FHCA map functions as Pacific Power's baseline risk assessment and sets the geographical boundaries for current wildfire programs such as asset inspections, vegetation management, and prioritized system hardening. The geographic boundaries of the FHCA are synonymous with the boundaries of Pacific Power's designated High Fire Risk Zones (HFRZs). In terms of compliance with the High Fire Risk Zone Safety Standards in OAR 860-024-0018, Pacific Power stresses that the geographic boundaries of the FHCA and the High Fire Risk Zones (HFRZs) are the same. In sum, Pacific Power's FHCA map does not have multiple tiers. Instead, it has one tier.

III. Terminology clarification regarding PSPS Zones

Finally, Pacific Power offers one point of clarification on terminology. In describing Pacific Power's service territory and assets, Page 4 of the IE Report references "Public Safety Power Shutoff Zones, or (PSPS) zones" and lists line miles in those areas. As a point of clarification, Pacific Power does not currently have fixed PSPS zones. In its 2022 Wildfire Protection Plan (2022 WPP), Pacific Power referenced specific fixed geographic areas as "PSPS

zones” and listed the line miles in such areas.² Pacific Power no longer designates a geographic area for distinct PSPS treatment, and so the term “PSPS Zones” is no longer accurate. Pacific Power has advanced its situational awareness and weather modeling capabilities, which provide a more detailed understanding of weather and wildfire conditions on the circuit or circuit segment level. In 2023, Pacific Power now has improved capability to identify areas where a PSPS might be implemented more precisely and effectively in real time. Therefore, references to fixed “PSPS zones” were removed, because PSPS preparedness efforts were expanded across the company’s entire Oregon service territory.

IV. Conclusion

In closing, Pacific Power appreciates the thoughtful and comprehensive nature of the IE Report. Pacific Power anticipates that there will be future dialogue with the Commission and Commission Staff regarding how the 30 categories identified by the IE in the IE Report might be used in future reviews. Pacific Power envisions that such dialogue will help inform how Pacific Power incorporates the IE’s recommendations in future plan updates. Pacific Power’s next update to its WMP will bring in many of these thoughts, elements, and recommendations.

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations

² 2022 Wildfire Mitigation Plan at 16.