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January 8, 2021

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: AR 638 - PGE Reply to OPUC Staff Scoping Survey Questions

Dear Filing Center:

Portland General Electric Company (PGE) welcomes the opportunity to participate in the Public Utility Commission of Oregon's (Commission or OPUC) Docket AR 638, which seeks to develop Wildfire Mitigation Plan Rules. PGE submits these responses to Staff's Scoping Survey questions issued on December 15, 2020.

PGE appreciates the opportunity to provide responses to the Scoping Survey, and thanks Staff for its efforts to engage with stakeholders to develop rules to guide utilities in developing Wildfire Mitigation Plans.

Respectfully Submitted,

/s/ Jay Tinker

Jay Tinker
Director, Rates and Regulatory Affairs

JT/np

What are your objectives/expectations for wildfire mitigation?

PGE's number one priority is the safety and well-being of our customers, employees, and residents of Oregon. As part of our ongoing efforts in this regard, PGE has performed an overall risk assessment of our operation to ensure the communities we serve are protected from catastrophic events, such as floods and earthquakes, as well as wildfires. To sharpen our response across all lines of business, we are building a new team dedicated to coordinate internally and externally. Wildfires provide a stark reminder of how important it is for us to do what we can to protect lives, the communities that we serve, and minimize damage to property due to wildfires associated with our electric facilities. As always, PGE strives to deliver safe, reliable and affordable power to all our customers.

PGE understands that we have a critical role in reducing the risk of wildfires caused by electrical facilities or maintenance activities. We are approaching this issue with urgency to mitigate the risk of our facilities creating or contributing to wildfire ignitions, to respond to wildfire events, and to recover from incidents as our facilities can be at risk to wildfire damage. It is important to remember that electricity service is critical during an emergency such as a wildfire. A well-designed wildfire mitigation plan (WMP) will utilize a systematic, risk-based approach, to identify and prioritize system hardening and resiliency efforts. To be successful, PGE will need to collaborate with electric utilities we interconnect with,¹ first responders, agencies, counties, federal, state and local governments, communities, and customers.

PGE will be guided by the following core concepts when evaluating which engineering, construction and operational strategies to employ to mitigate wildfire risks associated with electric facilities:

- Frequency of ignition events related to electric facilities can be reduced by performing vegetation management, which includes trimming and ensuring proper plants are planted, by inspecting and maintaining poles and equipment, and by engineering more resilient systems that experience fewer fault events;
- When a fault event does occur, the impact of the event can be minimized using equipment and personnel to isolate the fault event;
- Systems that facilitate situational awareness and operational readiness are central to mitigating fire risk and impacts; and
- A successful plan must reflect consideration of the impact to stakeholders and communities, its effect on the provision of reliable and safe electric service and the extent to which it is commensurate with both the risks and affordability issues that are specific to PGE's service territory and customer base.

Regarding the OPUC's rulemaking process, PGE recommends that the OPUC consider the experience and outcomes in California and Nevada in developing its Wildfire Risk Mitigation Strategy and WMP Framework. Learning from these lessons will accelerate OPUC progress toward its rulemaking mandate and, at the same time, support robust stakeholder engagement and efficiency for of the rulemaking process and resource requirements. At the same time, we

¹ These include the Bonneville Power Administration and Pacific Power.

should be careful to acknowledge that the experience and progress in California and Nevada were essential to developing their rules because utilities and the states had made progress in key areas like situational awareness and more granular meteorology and wildfire modeling. Additionally, not all solutions from California will be a good fit for Oregon, as much of the process and solutions were driven by a legal framework (inverse condemnation) that has not been applied in Oregon. Additionally, it is noteworthy that many of the actions the California Public Utilities Commission took were driven by legislative mandates from SB 901 and AB 1054. It will be important for the OPUC to be able to distinguish situations when these circumstances were the driven for the outcome.

Oregon is making progress quickly, as well, but should not expect the same level of reporting and learning from the start simply because the OPUC adopts similar rules. For example, reporting is critical to OPUC's oversight, but shouldn't initially be so burdensome as to compromise program actions and outcomes.

PGE proposes the following themes and key principles:

Theme	Key Principle
Process	<i>Stakeholder Collaboration</i> - Adopt a collaborative rulemaking process that ensures robust public engagement and balances the needs of all stakeholders.
	<i>Resourcing</i> - The process must be adequately resourced. Additional staffing and resource commitments should not be underestimated.
	<i>Purpose & Outcomes</i> - Embrace a transparent and non-punitive utility wildfire safety evaluation and approval process based on measurable high-level target outcomes.
	<i>Governance</i> - The OPUC's governance structure for wildfire risk mitigation oversight needs to address both planning and a common understanding for compliance activities.
	<i>Cost Recovery</i> - The process must explicitly address cost recovery mechanisms for wildfire mitigation activities beginning in year one. The process must address the entities responsible for the many actions that need to occur to improve wildfire mitigation. Some actions should clearly be undertaken by utilities. Just as clearly, other wildfire mitigation activities will require partnership and participation among utilities, local, state, federal land and emergency management agencies.
	<i>Roadmap & Timeline</i> - Develop a roadmap and timeline to set relative priorities and define clear stages for implementation of wildfire mitigation programs for each entity.
Timing Considerations	<i>Seasonal Timing Requirements</i> - Develop adequate timelines for rulemaking, filing and reporting to allow utilities sufficient time to focus on mitigation and preparedness activities in advance of wildfire season.
	<i>Phased Approach</i> - Utilize a phased rulemaking approach, with significant progress targeted in the first 6 to 12 months, recognizing that full implementation will take 3 to 5 years.

Wildfire Risk Mitigation Plans	<p>Stakeholder Engagement - Create an effective, efficient and comprehensive WMP framework in partnership with stakeholders.</p> <p>Tailored to Oregon - Develop a Wildfire Risk Model for Oregon utilities to support the WMP framework. Then define the decisions to be made and the data required to do so.</p> <p>Sufficient Time - Build sufficient time into the schedule for all stakeholders to review WMP submissions, request clarifications from utilities, and facilitate revisions. The Commission should recognize that responses to data requests may be delayed during active wildfire situations to allow utility personnel to focus on monitoring and responding to wildfire threats.</p> <p>WMP Revision Cycles - Technology and the utility industry are changing rapidly enough to justify annual updates to three-year WMPs.</p>
Data Submission Requirements	<p>Targeted Data - Data submitted by utilities should include information on strategy, approach and action commitments.</p> <p>Cost/Benefit Balance - Data requests must be balanced – potential value for the OPUC, against the cost and effort to collect that data.</p> <p>Evolving Data Requirements - Data submission requirements should transition over time from higher level to more granular information as the OPUC's management strategies coalesce, and utility data quality/availability improves.</p>
Performance Measures	<p>Specific Metrics - Establish three categories of measures: WMP Program commitments, progress against commitments, and wildfire risk management outcomes produced.</p> <p>Outcomes vs. Activity Measures - Program and Progress performance metrics that measure the quantity of work being performed on the network are of limited usefulness by themselves.</p> <p>Normalize Metrics - Outcome metrics must be normalized to account for the (largely uncontrollable) drivers of faults and ignitions – weather & fuel moisture.</p>
Maturity Model	<p>Starting Point - OPUC may consider the California (CPUC) Wildfire Maturity Model as a starting point for its own, but it must be refined to reflect Oregon's needs.</p> <p>Compare Oregon Utilities - Over time, the OPUC should compare and contrast approaches and effectiveness across the state's utilities.</p> <p>OPUC Maturity Model - Develop and apply a Wildfire Maturity Model to facilitate comparisons among Oregon utilities, and against utilities from other states.</p> <p>Informed Modeling - Seek input from utilities and consider global best practices from other jurisdictions to develop the Wildfire Maturity Model</p> <p>Benefits Gained - Maturity Model benefits include increased clarity for utilities on OPUC expectations and a roadmap for the OPUC that shows how each utility may improve.</p>

1) What are the components of a comprehensive electric utility WMP e.g., what does the table of contents look like?

Both SB 1536 introduced in the 2020 Session and OPUC Staff in its December 10, 2020 presentation to the Commission provided a starting point for Minimum Components of a WMP. The components that PGE believes should be included in a comprehensive WMP are in large part consistent with the Minimum Components laid out in both SB 1536 and Staff's presentation to the Commission, but PGE suggests certain expansions and modifications discussed below.

In addition to the Minimum Components identified by the Legislature and Staff, PGE recommends including "Purpose and Organization" and "Roles and Responsibilities" in the list of WMP components. These components would be overarching, organization-wide directives that should clearly define who is responsible for achieving the goals and carrying out each WMP component. A "Roles and Responsibilities" section is included in PGE's draft WMP components to make it clear that all departments at PGE need to work towards the same goal and are clear on the WMP tasks for which they are responsible in order to successfully implement our WMP.

The plan should, at a minimum:

- Identify areas that are subject to a heightened risk of wildfire and that are:
 - Within the service territory of the public utility; and
 - Outside of the service territory of the public utility but within a reasonable distance, as determined by the Commission, of the public utility's generation or transmission assets.
- Identify a means for mitigating wildfire risk that reflects a reasonable balancing of mitigation costs with the resulting reduction of wildfire risk.
- Identify preventive actions and programs that the public utility will carry out to minimize the risk of company utility facilities causing a wildfire or being impacted by one.
- After seeking information from regional, state and local entities, including municipalities, identify a protocol for the deenergizing of power lines and adjusting of power system operations to mitigate wildfire risk, promote the safety of the public and first responders, and preserve health and communication infrastructure.
- Describe the procedures, standards and time frames that the utility will use to inspect company utility infrastructure in areas that the utility identifies as noted above.
- Describe the procedures, standards and time frames that the utility will use to carry out vegetation management in areas that the utility identifies as noted above.
- Identify the development, implementation and administration costs for the plan.
- Identify the community outreach and public awareness efforts that the utility will use before, during and after a wildfire season. The utility may consult with regional, state, and local entities, including municipalities, in the development of these efforts and

consider the advice and information gained from those entities in the development of the plan.

To ensure that WMPs include a comprehensive approach to the prevention and management of wildfires, we believe that plans may be broken out into separate tracks, each with its own unique responsibilities as well as collaborative activities to address Preparedness/Mitigation, Fire Season, Response, and Recovery. PGE proposes the following table of contents:

Wildfire Risk Mitigation Plan Template:

0.0 WMP Ownership & Contact Information

- 0.1 Corporate Contact Information
- 0.2 Persons Responsible for Preparation & Execution of WMP
- 0.3 Details for Procuring a Copy of the WMP
- 0.4 Verification Signatures

1.0 Table of Contents

2.0 List of Tables

3.0 List of Figures

4.0 Glossary of defined terms

5.0 Purpose & Scope

6.0 Wildfire Risk Mitigation Objectives

7.0 Strategic Alignment / Risk Management Approach

8.0 Operating Environment

- 8.1 Service Territory / Coverage Area
- 8.2 Risk Zones (Wildfire Threat Tiers)

9.0 Wildfire Risk Mitigation Performance

- 9.1 Number of Fire Starts by Cause (5-Year history)
- 9.2 Summary of Causes, Fire Risks, and Mitigation Measures

10.0 Wildfire Risk Mitigation Programs & Activities

10.1 Vegetation Management

- 10.1.1 Overview of Vegetation Management Strategy
- 10.1.2 Inspection & Maintenance Approaches
- 10.1.3 Inspection & Maintenance Frequencies

10.2 Asset Management & Inspections

- 10.2.1 Equipment & Design Standards
- 10.2.2 Routine Inspections & Maintenance
- 10.2.3 Non-Routine Inspections & Maintenance
- 10.2.4 Asset Lifecycles & Replacement Criteria
- 10.2.5 Capital Programs

10.3 Risk Management

- 10.3.1 Risk Assessment Approach & Current Understanding
- 10.3.2 Targeted Interventions to Reduce Wildfire Risk
- 10.3.3 Evaluation of Mitigation Effectiveness

10.4 Operating Protocols

- 10.4.1 Emergency Planning
- 10.4.2 Event Response & Management
- 10.4.3 High Fire Threat Day Protocols

10.4.4 Public Safety Power Shutoffs

10.5 Stakeholder Engagement

10.5.1 Public Awareness

10.5.2 Customer Support & Communications

10.5.3 First Responder Support & Communication

10.5.4 Working with Local, State, and Federal Agencies

10.6 Research & Development

10.6.1 Technologies Under Evaluation

10.6.2 Knowledge Sharing & Industry Engagement

11.0 Quality Control & Continuous Improvement

11.1 Monitoring & Audit

11.2 Employee & Contractor Training

11.3 Lessons Learned Process

12.0 Wildfire Risk Mitigation Performance Measures

12.1 Program Targets

12.2 Progress Metrics

12.3 Outcome Metrics

2) What are your priorities and/or what are the most urgent issues to tackle before next fire season?

PGE's first priority is finalizing our 2021 Wildfire Mitigation Plan. Our 2021 WMP plan starts with our 2020 plan and will incorporate improvements we have identified. To be effective, the 2021 plan must be completed well in advance of wildfire season, which leaves very little room for delay.

Our next priority is effective implementation of the WMP. Doing so requires that we have developed and implemented a training program, coordinating any inspections work and corrections, conducting outreach with state and local interest groups, developing design standards, and continued refinement of our risk analysis.

Part of our ongoing WMP updating process is evaluating wildfire risk in our service territory for potential expansion of Public Safety Power Shutoff (PSPS) areas. If additional PSPS zones are identified, then we will need to work with affected local communities to communicate the expansion and explain what it means to them. PGE will also need to implement additional training and resources for PGE staff.

Another key priority is improved timelines for acquiring permits and improved access to restricted zones during events. Both of these improvements will facilitate timeliness of work, such as vegetation management, to reduce risk before an event and to restore the system more quickly after an event.

In addition to working with local communities on any expansion of PSPS zones, PGE will also need to coordinate with local and state emergency managers, local fire departments, and non-governmental organizations.

3) What questions do you have about the rulemaking process and/or WMPs?

- a. How long does Staff anticipate the informal phase of the Rulemaking will last?
- b. How long will participants have to review and comment on Staff's draft rules? ²
- c. Please describe the revision process for the draft Rules after receiving participants' comments.
- d. When does Staff anticipate submitting draft Rules to the Commission to open Phase 2 of the process?]
- e. When does Staff intend to provide draft or general metrics for wildfire mitigation to utilities?
- f. When does Staff anticipate providing an amended draft of the Rules to the Commission?
- g. Does Staff expect to update the rules to reflect lessons learned? If so, how often?
- h. Will updated rules be subject to a similar process (informal/formal phases) as the new rules?
- i. Should Oregon consider a consolidated fire situational awareness program under a state agency, or set metrics for utility program development? Such a program could be critical during a PSPS event.

4) What are your other comments or concerns?**Process and Timing Recommendations**

With regard to its Wildfire Risk Management Rulemaking, the OPUC should set the goal to establish a balance among competing interests – in both process and outcomes – from the very start. For example, developing and implementing a WMP and a PSPS plan are very detailed and evolving processes. When developing WMP rules, care should be taken to keep the rules at a high enough level that the rules do not need to be modified to allow WMPs and PSPS plans continue to develop and evolve.

A rulemaking process that is informed by experience elsewhere and is comprehensive, transparent, and accessible, will require some upfront investment, but is likely to save time and effort later. Moreover, it is more likely to produce a process that will be effective and sustainable over the long term. The potential is a holistic process that meets the governance and oversight responsibilities of the OPUC, is considered fair and efficient by the State's regulated utilities, and quickly and efficiently delivers the outcomes desired by intervenors, stakeholders, and the public alike.

The OPUC should continue to adopt a collaborative rulemaking process that ensures robust public engagement and balances the needs of all stakeholders. Taking an inclusive approach helps ensure that the concerns of all groups are considered, while being integrated and optimized with those of others. Under this approach, the rulemaking process can address the needs of the community as a whole rather than those of discrete groups or organizations.

² Appendix A, Wildfire Mitigation Rulemaking presentation by OPUC Staff, December 10, 2020.

Seeking to build a sustainable rulemaking process and a WMP framework will necessarily require some practical trade-offs. These are as simple and as complex as favoring a robust process over short-term outcomes, active participation over communiques. It will require that interest groups actively participate in the process, and that they commit sufficient time and resources to participate in parallel processes that feed into the core rulemaking. The same applies to utilities and front-line organizations that must adapt to the rules within their wildfire response.

Overall, transparency will be critical, particularly because multiple organizations will often be working in parallel with one another. It will likely be the role of the Commission to ensure that all parties can see and understand the needs and concerns of all – and how these are reflected, or not, in both the rulemaking process and the rules themselves. Although challenging in practice, this approach is more likely to serve the community as a whole when wildfires inevitably occur. It will also build trust in the rulemaking process, as well as a collective capacity to absorb damage and loss when things go wrong.

Potential Issues/Problems to Avoid:

Delays in developing and effectively implementing wildfire risk mitigation rules may occur for a variety of reasons, both controllable and uncontrollable. Controllable delays may occur due to uncertainty or confusion and the sheer amount of subject matter at issue. For example, the inclusion of PSPS in the wildfire rulemaking may significantly delay the schedule for the rulemaking. To the extent this occurs, PGE recommends that the Commission bifurcate PSPS and open a new docket to address this issue. Delays may also occur due to attempts to accelerate the rulemaking process by bypassing stakeholder involvement, setting unrealistic deadlines, or relying disproportionately on third parties for developing standards.

Disenfranchisement may occur if feedback from stakeholders is not solicited or is solicited but ignored. It may also occur if the rulemaking process is opaque and/or illogical, leading to confusion and uncertainty.

Trying to do too much, too quickly will produce waste, errors and risk. Instead, the process should ensure that the program will be sustainable and focused on continuous improvement.

Undue strain may be placed on both OPUC and Utility staffs if the resource requirements associated with wildfire risk mitigation rules are underestimated or ignored.

The ability to quickly and effectively address deficiencies in, or unintended consequences from, the rulemaking process or outcomes, or to otherwise continuously improve the rulemaking approach may be hindered by a lack of initial planning to accommodate a ‘lessons learned’ approach and / or an unwillingness to solicit feedback from stakeholders and other regulatory peers.

Appendix A: AR 638 Wildfire Mitigation Rulemaking, December 10, 2020 OPUC Staff presentation.



Wildfire Mitigation Rulemaking

Docket AR 638

December 10, 2020

Rulemaking Plan and Next Steps

- ▶ Staff release written survey questions
- ▶ Staff release scoping workshop announcement

