

ORDER NO. 23-222

ENTERED Jun 26 2023

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2209

In the Matter of

IDAHO POWER COMPANY,

2023 Wildfire Protection Plan.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED AS MODIFIED

This order memorializes our decision, made and effective at our June 13, 2023, Regular Public Meeting, to adopt Staff's recommendation in this matter with modifications discussed below. The Staff Report with the recommendation is attached as Appendix A.

Staff's recommendation includes a number of items that Idaho Power Company should include and consider in preparing its next Wildfire Mitigation Plan. We support these recommendations and action items and expect that Idaho Power will generally implement them as written. However, we understand that there may be implementation issues that need to be worked out and that, in some cases, the recommendation itself may need to be modified as a result. Accordingly, we direct that Idaho Power consult with Staff as to implementation of the recommendations and to detail in its plan next year the specific results of that engagement on each recommendation and the ultimate outcome.

In addition, we specifically note stakeholder comments by Jim Krieder of StopB2H on a lack of clarity as to why Idaho Power's designation of high fire risk areas differs from designations by other agencies and entities. We also note Staff Recommendation 3, which we believe seeks clarity on this issue in the context of adjoining or overlapping utilities. In fulfilling Staff's recommendations, Idaho Power should consider the larger communications challenge of ensuring that residents in its service territory are aware of why it has designated certain areas as high fire risk zones and not others, and that they better understand why

entities may use different methodologies, have different goals for designation, or have different inputs to the modeling. It should then work to close that information gap.

Made, entered, and effective Jun 26 2023.



Megan W. Decker
Chair



Letha Tawney
Commissioner



Mark R. Thompson
Commissioner



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. RA3

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 13, 2023**

REGULAR X CONSENT EFFECTIVE DATE **Upon
Commission Approval**

DATE: June 6, 2023

TO: Public Utility Commission

FROM: Heide Caswell

THROUGH: Bryan Conway **SIGNED**

SUBJECT: IDAHO POWER COMPANY:
(Docket No. UM 2209)
2023 Wildfire Mitigation Plan – Request for Commission Approval.

STAFF RECOMMENDATION:

Approve Idaho Power Company’s 2023 Wildfire Mitigation Plan, direct Idaho Power to report on Ignition Inspections for 2023, and direct Idaho Power to incorporate Staff’s recommendations in its 2024 Plan.

DISCUSSION:

Issue

Whether the Oregon Public Utility Commission (Commission) should approve Idaho Power’s 2023 Wildfire Mitigation Plan and direct Idaho Power to work with Staff and stakeholders to incorporate Staff’s recommendations in the Idaho Power’s 2024 plan.

Applicable Rule or Law

Executive Order 20-04 (EO 20-04), Section 5(B)(4) directs the Commission to evaluate electric companies’ risk-based wildfire protection plans and planned activities to protect public safety, reduce risks to utility customers, and promote energy system resilience in the face of increased wildfire frequency and severity, and in consideration of the recommendations made by the Governor’s Council on Wildfire Response 2019 Report and Recommendations.

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Per ORS 756.040, the Commission has authority to supervise and regulate every public utility in Oregon, and to do all things necessary and convenient in the exercise of such power and jurisdiction.

Senate Bill (SB) 762¹ (2021), incorporated as ORS 757.960 through 757.969, established standards for electric utility's Wildfire Mitigation Plans and required the Commission to promulgate rules related to the requirements of the Plans. Pursuant to ORS 757.963 the Commission may "approve with conditions" a public utility's Wildfire Mitigation Plan or update.

Division 300 of the OARs articulates the minimum requirements for the Plan filings as well as the process for Commission approval of the plans.

The approved Idaho Power's 2022 WMP in Order 22-312 and directed the utility to engage with Staff and stakeholders through a workshop process prior to filing its 2023 Plan.

Analysis

Background

On December 29, 2022, Idaho Power Company filed its risk-based Wildfire Mitigation Plan (WMP or Plan) with the Commission. Under SB 762 (2021) and Oregon Administrative Rule (OAR) 860-300-0020, public utilities in the State of Oregon must adopt and operate in compliance with an annually updated WMP that is filed with the Commission. Staff and Bureau Veritas North America, Inc. (BVNA), an Independent Evaluator (IE), have evaluated the 2023 Plan. BVNA was selected to serve as an Expert Witness and to provide written testimony to assist in Staff's overall analysis and review of the Plan for rule compliance, and to make recommendations about Plan approval that may include conditions (i.e. future actions and/or additional requirements/updates for inclusion in upcoming year's Plan).²

Staff's analysis, detailed below, considers the Company's compliance with the Wildfire Mitigation Plan minimum requirements set forth in Division 300. The comments, recommended actions, and recommended additional requirements for inclusion in the Company's 2024 Plan, reflect Staff's review of the Company's WMP, review of the IE's Report, review of Stakeholder Comments, and ongoing participation in WMP public workshops and Stakeholder engagement.³ In addition to written stakeholder comments,

¹ SB 762 (2021), <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/SB762>.

² UM 2208, *Independent Evaluator's Report on Wildfire Mitigation Plan Compliance* (IE Report), May 23, 2023, <https://edocs.puc.state.or.us/efdocs/HAH/um2208hah91047.pdf>.

³ The IE's Report and stakeholder comments can be found in Docket No. UM 2208.

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Staff and the IE consulted with emergency managers in some local jurisdictions to gain insight into perceptions by the local community of the effectiveness of the utility's community outreach efforts.

BVNA developed specific assessment criteria for evaluation of the utility WMPs in 2022 and used the same criteria for evaluation of the 2023 Plans.⁴ While Staff finds these criteria generally consistent with Division 300 requirements, the criteria were, in many cases, more rigorous or detailed than the requirements in OAR. Compliance with these criteria did not alter Staff's determination of compliance with the 2023 Plan requirements, but rather provide insight for the utilities into how they might create a more thorough and robust Plan. Additionally, the IE used evaluation rankings of "Met," "Substantially Met," "Partially Met," and "Not Met." Staff did not adopt this ranking system. Staff's analysis resulted in a conclusion that the utility either met the requirement or did not meet the requirements. Staff does agree with many of the recommendations provided by the IE and those are captured in Staff's memo. In most cases, even when Staff determined the utility met a specific requirement, Staff provided recommendations that will enhance the Company's future Plans and provide additional evidence that the Company's Plan is risk based.

Process

Staff's review of 2023 plans differed significantly from the review of 2022 WMPs. This difference results from a maturing of the WMP process. Wildfire Mitigation Plan of 2022 review only considered compliance with the minimum criteria articulated in SB 762 and adopted in in AR 648.⁵ For 2023, Staff reviewed compliance with Division 300 rules which encapsulate rules adopted in both AR 648 and AR 638.⁶ Moreover, the WMP process establish plans for years long decisions on wildfire mitigation efforts, for which the companies are seeking rapid cost recovery. Recognizing this, the 2023 WMP review process included detailed evaluation of utility planning processes and evaluation metrics used to create the WMPs.

Staff kicked off the 2023 WMP review process with a public workshop on March 14. New this year were a series of workshops or "deep dives" that allowed Staff the chance to probe deeper in seven different areas of the WMPs: Risk Analysis and Risk Drivers, including Asset Health; Risk Mitigation and Risk Spend Efficiency or other Valuation Methods; Inspection & Correction; Vegetation Management; System Hardening,

⁴ These criteria were first presented to stakeholders in a workshop on January 31, 2022, prior to review of the 2022 WMPs. See <https://edocs.puc.state.or.us/efdocs/HAH/um2208hah113858.pdf>.

⁵ Order 21-440, Docket No. AR 648, <https://apps.puc.state.or.us/edockets/orders.asp?OrderNumber=21-440>.

⁶ Order 22-494, Docket No. AR 638, <https://apps.puc.state.or.us/edockets/orders.asp?OrderNumber=22-494>.

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including Technology Innovations; Situational Awareness & Operational Practices; and Community Engagement & Public Safety Protocols. Following each deep dive workshop Staff prepared, and the utilities responded, subject-specific data requests about the WMPs.

Staff acknowledges that the data request process was substantial. Notably this is the first year Staff has had the opportunity to deeply review and understand utility planning processes and evaluation metrics in the context of wildfire planning. Staff hopes that this background knowledge will help streamline the process in future years. Further, many of Staff's requests focused on providing clear and factual information regarding the risk mitigation effectiveness and costs of actions proposed in the WMP. This information is necessary to facilitate understanding of the Company's cost benefit analysis, required by OAR 860-0300-0020(1)(b), and to allow for data driven decisions to be made in the cost recovery process. Staff hopes that this information will form more of the primary content of WMPs in the future.

Finally, Staff provided stakeholders and the utilities an opportunity to provide public comments on the WMPs. At the utilities' request, Staff extended the comment period to May 31, 2023, to allow for comments on the IE report.

Summary of Incorporation of 2022 Plan Recommendations

In evaluating 2023 plan's evolution, Staff reviewed the utility's integration of the recommendations made during the 2022 plan review. In certain cases, the 2022 recommendations were explicitly detailed, which allowed integration in the 2023 Plans to be directly evaluated. In other cases, the recommendations may have been minimally incorporated. These recommendations and their inclusion are contained in Attachment A. All investor-owned utilities (IOUs) made some modifications to their WMPs in response to IE and Staff recommendations. However, they consistently fail to provide the underlying details which may have been part of the input to make changes, and as a result, Staff is unable to evaluate the objective measures which demonstrate growth of the utilities in the maturity of their WMPs; rather than words Staff and stakeholders need to have visibility into the evidence of their evolving maturity, and Staff would welcome the opportunity to participate in joint IOU development work.

Stakeholder Comments Related to Overall Plan

Staff appreciates the time, effort, and insight provided in Stakeholder comments. Recommendations submitted in comments were considered in Staff's overall review, analysis, and recommendations for Idaho Power's WMP efforts for Commission consideration. In general, these comments provide ideas for consideration when Idaho Power is developing its plan for 2024.

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Staff received four sets of comments in UM 2209, one from Idaho Power and three from the public, including STOP B2H (STOP), Wendy King and Sam Meyer. These comments were focused on the Company's assessment of areas subject to high wildfire risk.⁷ As explained in Staff's recommendation introducing OAR 860-0300-0003's language "[t]his rule establishes standards Public Utilities must follow to identify areas within their service territories that are High Fire Risk Zones. The rule is not prescriptive in stating which models or sources of information a utility must use, but instead requires the utility identify sources of information and models used in the plan."⁸ Staff notes that, compared to Idaho Power's 2022 WMP, the 2023 Plan provides additional insight into how the Company determined High Fire Risk Zones.

Idaho Power's comments focused primarily on addressing specific statements and conclusions made in the IE Report and suggesting changes to the process for 2024 WMPs.⁹ Staff wants to make clear that the IE's recommendations and conclusions only provided guidance to Staff. The individuals with Bureau Veritas conducting the evaluation have extensive experience evaluating plans in other states with varying requirements. Much of the IE's discussion provides guidance to Staff for evaluation of future WMPs. Staff does agree with many of the recommendations provided by the IE and those are captured in Staff's memo.

Plan Compliance Review and Recommendations By Section
OAR 860-300-0020 (1)(a)(A) and (B):

Identified areas that are subject to a heightened risk of wildfire, including determinations for such conclusions, and are:

- (A) *Within the service territory of the Public Utility, and*
- (B) *Outside the service territory of the Public Utility but within the Public Utility's right-of-way for generation and transmission assets.*

Staff Analysis

Idaho Power met this requirement by describing the approach it used to conduct its analyses to establish its high fire risk zones which it classifies as either Red Risk Zones (RRZs) or Yellow Risk Zones (YRZs) with support from a wildland fire consultant and

⁷ UM 2209, Stakeholder comments provided May 31, 2023, <https://edocs.puc.state.or.us/efdocs/HAC/um2209hac165058.pdf>, <https://edocs.puc.state.or.us/efdocs/HAC/um2209hac14144.pdf>, and <https://edocs.puc.state.or.us/efdocs/HAC/um2209hac16731.pdf> respectively.

⁸ AR 638, *Staff Report for the January 18, 2022 Special Public Meeting*, p.6, Jan, 12, 2022, <https://edocs.puc.state.or.us/efdocs/HAU/ar638hau7497.pdf>.

⁹ UM 2209, Comments from Idaho Power, May 31, 2023, <https://edocs.puc.state.or.us/efdocs/HAC/um2209hac16311.pdf>.

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risk assessment tools and techniques. It identifies that its Idaho service territory contains both RRZs and YRZs, while its Oregon service territory only contains YRZs of which there are four general areas,¹⁰ none of which are subject to Public Safety Power Shutoff (PSPS). Throughout its WMP, Idaho Power describes several ways to address the risk of wildfire with an eye towards the reality that its approach will evolve in response to changes in conditions and addresses that it plans to evaluate its risk mapping on an annual basis. Staff further recommends that Idaho Power provide explicit details of assets within and outside the YRZs and RRZs. Staff believes this should be constructed using a common reporting structure across the IOUs.¹¹

Additionally, Idaho Power identifies locations in its service territory where a potential wildfire ignition would be most significant and estimates utility ignition risk from its assets. Like the other IOUs, it defines risk as probability multiplied by consequence. It has incorporated into its process updates to some of the key input data and also indicates its intent to further incorporate feedback from customers and agencies; acknowledging that proposed risk levels are reviewed in certain public meetings. Given the remote areas that Idaho Power serves in Oregon, the impact of distant fire suppression resources in escalating tier designation would be helpful to clarify.

Further, while Idaho Power has committed to incorporating a formalized risk management process into its WMP,¹² Staff recommends this work be aligned and guided by the recommendation made for the IOUs to jointly develop a harmonized risk spend efficiency method. In addition, greater analysis should be conducted of specific equipment ignition risks, supported by data including that related to historic root cause analysis, which represents a modification from the method used to identify candidate replacement assets.

Additionally, greater insight into how the YRZs and RRZs evolve as climate change continues to impact areas designated at risk of wildfires would be beneficial. Finally, Staff recommends the joint IOUs explore calibration of wildfire risk modeling methods to ensure that when and where overlaps occur, they are consistent, or explicable inconsistent, in their risk designation. Such designation and coordination across utilities may lend greater clarity for stakeholders and Staff to understand relative risks and also aid as the science of utility wildfire risk is enhanced.

¹⁰ See Idaho Power WMP, Figure 9 p 28.

¹¹ Common reporting structure for assets and programs within Oregon and across the company (for MSPs) relating to equipment and risk zones identified (T&D, poles, etc.). Staff is open to reviewing a joint IOU proposal incorporating risk zones and equipment identified or leading a process to establish such a common reporting structure.

¹² See *generally* Idaho Power WMP, p. 25.

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The IE provides its recommendations on ORS 860-0300-0020(1)(a)(A) and (B) in Subject Area 1 of the IE report.¹³ Staff agrees with the IE's recommendation regarding the need to more explicitly detail the methods used to distinguish the RRZ and YRZ, although Staff recognizes there were more details provided than in the 2022 WMP. They also recommend more information regarding timing and process for assessing and updating these zones, particularly explicitly distinguishing the Oregon versus Idaho territories. The IE also recommends that Idaho Power incorporate input from emergency management partners regarding updating risk mapping, but also explore partnering with additional organizations with wildfire experience that may provide additional enhancements to the WMP. Staff recognizes that Idaho Power stated public meetings were used to review risk zones, but greater demonstration of the input provided, and actions taken, would make this process more clearly evident.

Staff Recommendations for Idaho Power's 2024 WMP:

- 1) Provide explicit details of assets within and outside the YRZ and RRZ using a common reporting structure (for multistate utilities).
- 2) Provide details for incorporation of climate change modeling in refining the YRZ and RRZs.
- 3) Provide details on calibration of wildfire risk modeling methods to ensure that when and where overlaps occur, they are consistent, or explicably inconsistent, in their risk designation. Such designation and coordination across utilities may lend greater clarity for stakeholders and Staff to understand relative risks.
- 4) Detail recommendations from local partners and customers in establishing risk zones, including the inclusion of remote fire suppression resources in establish risk levels.
- 5) Provide historic root cause analysis supporting equipment ignition risk determinations.

OAR 860-300-0020 (1)(b):

Identified means of mitigating wildfire risk that reflects a reasonable balancing of mitigation costs with the resulting reduction of wildfire risk.

¹³ See IE Report, p 9.

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Staff Analysis

Idaho Power met this requirement by describing the main activities it utilizes to reduce wildfire risk, how they reduce risk, and their general intentions for risk management and valuation using industry standards. In its WMP,¹⁴ Idaho Power identifies various activities and protocols it utilizes to reduce fire risk, including situational awareness, asset management and hardening practices, communications technologies, operational protection strategies such as settings modifications and PSPS.

Staff appreciates the concept outlined by Idaho Power relating to long term metrics, involving specific outage causes and their potential correlation to ignitions and appreciates the segmentation proposed for the YRZs and RRZs to assess the effectiveness of the mitigation efforts. Staff believes however, non-fire risk areas should be contrasted against this data set to serve as a control population to better inform conclusions made about the effectiveness of the measures.

While Idaho Power provided information regarding its process for capturing information relating to ignitions near or involving their facilities,¹⁵ it did not appear to utilize this information to evaluate changes to mitigation efforts, nor explicitly detail any of its findings. In future plans, Staff recommends this dataset be integrated with the long-term metrics. Staff recommends that Idaho Power provide a demonstration of its ignition reporting process and the data captured, and how it investigates wildfires that occurred in prior years.

Idaho Power discusses its wildfire investment strategy concepts outlining the various measures that are considered and the reasons they rate as elements of the overarching plan. Idaho Power expresses substantial focus of these measures largely within their RRZs which result in minimal measures being explored in the Oregon service territory. Staff continues to be concerned that Idaho Power has insufficient focus on these areas. Other investment planning efforts underway within Oregon might yield opportunities for co-benefits of holistic planning. Staff recommends Idaho Power and the other IOUs work to develop a common framework for risk spend valuation that is extensible into other risk areas, including resilience,¹⁶ DSP,¹⁷ CEP,¹⁸ and core investment activities. This methodology should explicitly calculate the risk buy-down that occurs with the investment and should be comparable against other risk mitigation measures. To the extent that the valuation includes non-monetary utility benefits, or non-utility monetary or

¹⁴ See Idaho Power WMP, Section 4.4-8, p. 36-67.

¹⁵ See Idaho Power WMP, Appendix A.5-Reporting, p. 110.

¹⁶ See UM 2225 for exploration of resilience, including PNNL report, <https://apps.puc.state.or.us/edockets/edocs.asp?FileType=HAH&FileName=um2225hah113046.pdf&DocKetID=23160&numSequence=78>.

¹⁷ See generally UM 2005.

¹⁸ See generally UM 2225.

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non-monetary benefits, such as community benefit indicators (CBI) that were explored in UM 2225 they should be incorporated into the methodology. An objective methodology is critical both for OPUC Staff and the utilities. Given current methods often rely on “talking to experts,” there is a lot of room for doubt when evaluating spending decisions. While Staff recognizes the importance of experts and their role in establishing a course of action, it limits the ability of Staff and other stakeholders to objectively evaluate spending decisions and increases the risk of disallowance of recovery after the work has been completed since clear evidence to support its prudence may be unavailable; Staff believes some of the early concepts shared by Idaho Power could be beneficial inclusions into the development of that holistic valuation process, and recommends it be used as a starting part, as it believes the PGE RSE work should serve. Staff recommends Idaho Power and other IOUs utilize the common framework to detail the projects and their priorities with their associated risk reduction values. To the extent that adjustments to priorities occur, the plan should be updated as these experiences occur.

Staff agrees with the IE's recommendations for OAR 860-300-0020 (1)(b), Subject Area 2, that Idaho Power more detail regarding risk reduction measures and their effectiveness.¹⁹ However, Staff recommends this work be harmonized with other investment valuation processes across the IOUs. Further, the IE recommends Idaho Power provide information about wildfires that occurred within their service area in prior years.²⁰ Staff acknowledges this information was provided and appeared to provide insight to Idaho Power and plan readers, regarding the year's fire history compared to prior periods.²¹

Staff Recommendations for Idaho Power's 2024 WMP:

- 6) Provide effectiveness results using specific outage causes within YRZ, RRZ and non-fire risk areas compared to the mitigation measures undertaken within those specific areas and calculate mitigation effectiveness.
- 7) Demonstrate the Company's ignition reporting processes.
- 8) Demonstrate the use of effectiveness metrics and ignition reporting investigation in modifying programmatic changes to specific assets or equipment types.
- 9) Detail progress made towards a uniform risk-spend valuation methodology.

¹⁹ See IE Report, p.10.

²⁰ See IE Report, p 11.

²¹ See Idaho Power WMP p 2-3 and Table 1

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OAR 860-300-0020 (1)(c):

Identified preventative actions and programs that the utility will carry out to minimize the risk of the utility's facilities causing wildfire.

Staff Analysis

Idaho Power largely met this requirement by identifying preventative programs that the utility will carry out to minimize the risk of the utility's facilities causing wildfire. Idaho Power shows the two-tier map,²² lists the lines per tier,²³ and generally describes preventative actions taken within each of those tiers. It initially prioritized almost all preventative work in its RRZs.²⁴ Staff appreciates Idaho Power's Table 7 detail of O&M programs by year. However, Staff recommends the Commission require Idaho Power provide separate cost estimates differentiated for the Idaho and Oregon systems, and provide another table focused on capital investments by program, differentiated for the Idaho and Oregon system. Additionally, for year-on-year comparisons of plans this table should also include the units and costs planned versus actuals for the prior period, an enhancement to content reported.²⁵ Specifically, Staff believes there should be a comparison between the current plan versus the prior year plans. Staff believes all utilities should be planning capital investments multiple years out and communicating these decisions and their estimated value in wildfire risk reduction. Concurrently they should be cognizant of operations and maintenance costs of their proposed mitigation measures. Utilities should not be too reactive to short-term weather/precipitation patterns that would result in repeated changes to long-term hardening priorities and should generally "stay the course" given their current climate projections. It should be noted this is not intended to describe cost allocation for investments made, rather to identify cost estimates for mitigation measures which are critical to complying with legislation and administrative rules.

Staff agrees with the IE's recommendation (see Subject Area 3) that Idaho Power continue to explore industry-wide mitigation measures and clearly identify how or whether they intend to use them.²⁶ Staff recommends these piloting activities be clearly distinguished as to whether they are intended to benefit Oregon customers or Idaho customers by their siting. Additionally, the IE recommends Idaho Power correlate preventative actions across the various programs and identify their composite impact in reducing risk. Staff recommends this valuation be explicitly linked to the work regarding wildfire risk valuation previously recommended as well as the recommendation relating

²² See Idaho Power WMP Figures 7-11, p. 26-30.

²³ See Idaho Power WMP Table 4, p 25.

²⁴ See Idaho Power WMP p. 6-9.

²⁵ See Idaho Power WMP Table 2, p. 5.

²⁶ See IE report p. 11.

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to effectiveness demonstration.²⁷ Further, Staff recommends minor modifications to better demonstrate how the plan has delivered and is evolving as updates occur to the WMPs.

Staff Recommendations for Idaho Power's 2024 Plan:

- 10) Provide planned and actual work completed and dollars planned and actually spent by program for the prior and future years, as well as associated estimations of risk reduction for the work completed, compared to their original estimations separated by system, Oregon, and Idaho.
- 11) Provide a multiyear plan with project-level details for multi-year capital investments, with objective priorities identified and the estimated wildfire risk reduction for the project's selected mitigation method separated by system, Oregon, and Idaho.

OAR 860-300-0020 (1)(d):

Discussion of the outreach efforts to regional, state, and local entities, including municipalities, regarding a protocol for the de-energization of power lines and adjusting power system operations to mitigate wildfires, promote the safety of the public and first responders, and preserve health and communication infrastructure.

Staff Analysis

Idaho Power met this requirement in its 2023 WMP by describing its overarching wildfire outreach and public awareness strategy.²⁸ Staff recommends that Idaho Power create plans for community and Public Safety Partner engagement, including exercises and tabletops, such that advance notice and coordination and support from these organizations occurs and should include both Idaho Power wildfire and emergency response teams. Staff further recommends that while Idaho Power has explained that it has no planned areas of PSPS in Oregon, modified operations, such as "sensitive settings," are viable and should still be part of the conversations with Public Safety Partners since they can affect how communities are served during risk events. Further, greater dialogue and coordination with Public Safety Partners, including ESF-12, could better inform decisions made to support communities.

Staff agrees with the IE, Subject Area 4, recommendations that Idaho Power should include an updated summary of Public Safety Partner feedback and learnings from their

²⁷ See IE Report, p.11.

²⁸ See Idaho Power WMP, 10. Communicating About Wildfire.

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interactions with these stakeholders.²⁹ Staff also believes further transparency in these conversations and resulting actions would be beneficial content to share as part of their Plan evolution. In addition, Staff believes that better coordination with Public Safety Partners, including ESF-12, would benefit Idaho Power and its customers as they continue to learn how best to become more resilient to wildfire impacts.

Staff Recommendations for Idaho Power's 2024 Plan:

- 12) Include in WMP a clear map of Oregon service territory that could be affected by PSPS or other modified system operations.
- 13) Engage with Public Safety Partners, including ESF-12, in areas outside and within RRZ and YRZ to discuss wildfire risks and methods taken to mitigate risk including modified system operations and PSPS.
- 14) Include as an appendix to its WMP a registry of Public Safety Partner events, identifying hosting organization, with feedback provided and actions taken because of the feedback.

OAR 860-300-0020 (1)(e):

Identified protocol for the de-energization of power lines and adjusting of power system operation to mitigate wildfires, promote the safety of the public and first responders, and preserve health and communication infrastructure.

Staff Analysis

Idaho Power met the requirement to describe its modified operations including PSPS protocol generally describing a PSPS event, and the actions and considerations taken within throughout the event.³⁰ Substantial detail regarding the escalation of operations as risk may increase are included in appendix information, which is explicitly titled PSPS Plan but includes modified operations including PSPS, and may be very helpful to be more explicitly discussed within the WMP body. This appendix includes what happens during risk periods, through a PSPS event, and the levels during a PSPS event, from a PSPS Watch through PSPS Final Update.³¹

Staff shares the IE's concern that more information about the analysis used to make decisions for modifying operations during the fire season is needed. Staff recommends

²⁹ See IE report, p.13.

³⁰ See Idaho Power WMP, Appendix B, p. 115.

³¹ In its 2023 WMP, Idaho Power describes its PSPS protocol in Appendix B, and outlines the stages in Appendix B, Figure 2, p 140 but the subject is also touched on in other sections of the plan.

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that Idaho Power continue to analyze and provide the results of analysis regarding operational modifications based upon fire risk indices (such as fire potential index (FPIs)), “fire season,” or other relevant elevated wildfire periods and make the information regarding these modifications more clearly known by Public Safety Partners and customers. Further, Staff recommends greater clarification of roles and responsibilities regarding who makes these decisions and predicated on which key data points.

Staff agrees with the IE, Subject Area 5, that additional information on roles of personnel involved in implementing the Company’s WMP should be contained within the Plan.³² Staff further concurs with the need for ongoing analysis of areas at risk for PSPS, and additional articulation of the distinction between immediate safety de-energization and a PSPS. Additionally, Idaho Power should explore practices to identify when or if providing a Community Resource Center (CRC) is appropriate, particularly in light of the remote areas in which it serves in Oregon. Finally, Staff believes that IOUs and other electric operators should align on language to ensure that Public Safety Partners and the public generally understand the various operational modes which could impact their utility service reliability. These modes include utility practices such as “sensitive settings” and the likelihood of more prolonged sustained outages during extreme weather, in addition to immediate de-energization, in areas not explicitly identified as PSPS areas, as well as those within designated PSPS areas and receiving notification consistent with OARs.

Staff Recommendations for Idaho Power’s 2024 Plan:

- 15) Provide findings of analyses on operational modifications based upon “fire season”, FPI levels or other relevant elevated wildfire periods.
- 16) Staff recommends that Idaho Power outline roles and responsibilities that are in place during modified system operations, including PSPS activations; Idaho Power should communicate this structure to Public Safety Partners, at a minimum during tabletops or exercises.
- 17) Staff recommends that Idaho Power explore how and when placing and operating CRCs is reasonable given the remote areas in which Idaho Power serves in Oregon.
- 18) Joint IOUs establish language for Public Safety Partners and communities regarding modified operational practices, including “sensitive settings”, PSPS and other utility operational modes to mitigate wildfire risk.

³² See IE report, p 14.

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OAR 860-300-0020 (1)(f):

Identification of the community outreach and public awareness efforts that the utility will use before, during, and after a wildfire season.

Staff Analysis

Idaho Power met this requirement by listing and describing its community outreach and public awareness efforts.³³ Idaho Power provides content about its workshops/public outreach throughout the year to solicit feedback/input from public safety partners, community-based organizations, local community stakeholders, and customers, as well as how these efforts shape the WMP.

Staff recommends that as community outreach, including workshops are being planned, Idaho Power coordinate with Public Safety Partners, including ESF-12, aligning with community events, and potentially broadening the topic to wildfire safety generally, in order to yield better outcomes for the customers and communities in achieving resilience to a variety of risks including wildfire.

Staff agrees with the IE recommendation, Subject Area 6, to detail metrics and use them to evaluate the effectiveness of outreach efforts.³⁴ Further Staff recommends that the IOUs consider coordinating community outreach, where overlap of Public Safety Partners may exist, and developing consistent methods for evaluating the effectiveness of their public outreach and their Public Safety Partner outreach. Further, when results indicate modifications to outreach, these should be explicitly detailed in future WMPs.

Staff Recommendations for Idaho Power's 2024 Plan:

- 19) Coordinate community outreach with partners, including ESF-12, and consider broadening the workshop to include relevant community safety topics, inviting Public Safety Partners regarding other topics appropriate to the community.
- 20) Detail methods for determining the effectiveness of customer outreach and describe any modifications made to outreach strategies as a result.

OAR 860-300-0020 (1)(g):

Description of procedures, standards, and time frames that the Public Utility will use to inspect utility infrastructure in areas the Public Utility identified as heightened risk of wildfire.

³³ See Idaho Power WMP Section 10, p 70-82.

³⁴ See IE Report, p. 16.

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Staff Analysis

Idaho Power appeared to meet this requirement in its WMP by discussing its inspection and correction activities in areas of high fire risk, noting its intent to treat its YRZs as elevated fire risk areas. It did not appear to consider them such in its 2022 plan, leaving Staff concerned about the compliance with OAR 860-024-018 for the prior year's accomplishments leaving Staff with one condition it suggests be addressed by Idaho Power, notably providing confirmation that all Oregon YRZs have had completed ignition inspections. Staff recommends alignment between OAR 860-024-0012 and Idaho Power's correction timeframes be confirmed, notably for Priority 3 violations.

Staff generally agrees with the IE recommendation, Subject Area 7, that Idaho Power should detail associated inspection activities planned and completed within each state by zone, further clarify its method to identify heightened fire risk conditions during ignition or other inspection activities, detail further assessment and validation of inspection and correction efforts, and lastly detail quality assurance and quality control programs related to inspection and correction activities.³⁵

Staff Recommendations for Idaho Power's 2024 Plan:

- 21) Provide summary of planned versus actuals for assets in Oregon consistent with inspection intervals.³⁶
- 22) Validate that correction timeframes in Idaho Power's routine inspection and correction program relating to Priority 3 violations are corrected consistent with OAR 860-024-0018.
- 23) Provide greater detail outlining methods to identify elevated fire risk observations during ignition inspection or routine inspection activities.
- 24) Demonstrate the use of its ignition tracking process to support its approach to ignition prevention inspections.
- 25) Assess and validate its quality assurance and quality control program for ignition prevention and other inspection activities and outline a reasonable quality assurance level and associated costs for administering the program.

OAR 860-300-0020 (1)(h):

Description of the procedures, standards, and timeframes that the utility will use to carryout vegetation management in areas it has identified as heightened risk of wildfire.

³⁵ See IE Report, p. 19.

³⁶ See Idaho Power WMP, Table 8, p. 57.

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Staff Analysis

Idaho Power met the requirement by providing the description of its vegetation management program by outlining various aspects of its overall vegetation management program.³⁷ This program is intended to achieve compliance with ensure compliance with Oregon Administrative Rules.³⁸ Idaho Power indicated it analyzed its records and other data sources to determine that enhanced vegetation management is one of the most useful programs to achieve fire risk reduction. However, consistent with other programs and other IOUs, no cost benefit analysis has been performed to support the decision and such analysis aligns with prior recommendations regarding risk valuation.

Staff agrees with the IE's recommendation, Subject Area 8, which advises that Idaho Power should provide logic regarding the reasoning for programming decisions in YRZs and non-YRZs in Oregon. Staff also recommends Idaho Power show underlying details regarding accomplishments within each of those areas (YRZs and non-YRZs) and finally the details should be augmented with vegetation approaches taken with quality assurance and quality control of work performed and results found.³⁹

Staff Recommendations for Idaho Power's 2024 Plan:

- 26) Utilize the previously recommended RSE methodology to determine the risk reduction for enhanced vegetation management both inside YRZs as well as outside YRZ or RRZs.
- 27) Provide details for work planned and completed relating to vegetation management both within and outside YRZs in Oregon (as well as system-wide)
- 28) Conduct root cause analysis for vegetation-related risks be conducted to support the determination of optimal vegetation management actions.
- 29) Demonstrate the use of Idaho Power's reporting process to evaluate the logic of its programmatic decisions for vegetation management in YRZs and non-YRZs in Oregon and system wide.
- 30) Provide plan and actual experience with QA/QC program performance within and outside YRZs in Oregon and system wide.

³⁷ See Idaho Power WMP, Section 4.4.6, p. 41-43.

³⁸ OAR 860-024-0016.

³⁹ See IE Report, p.21.

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OAR 860-300-0020 (1)(i):

Identification of the development, implementation, and administrative costs for the plan, which includes discussion of risk-based cost and benefit analysis, including consideration of technologies that offer co-benefits to the utility's system.

Staff Analysis

Idaho Power met the requirement of this rule by providing a summary of the 2023 costs associated with implementation of this plan. As with the 2022 Plan recommendations, Staff would like to see more evidence of quantitative analysis, directly derivative of the previously recommended risk valuation methodology. These Plans are to be risk-based and this is one of the areas in which Idaho Power can provide more objective and quantitative discussion of how it selected mitigations, prioritized programs and projects, and optimized costs for the associated risk reduction. Idaho Power has discussed its plans to use industry standard risk management practices to guide this process. Staff recommends the IOUs strive to ensure harmonized methods between development that Idaho Power undertakes, in addition the work PGE has undertaken with its RSE calculations, as well as the work Pacific Power indicates it is developing. Concurrently, as a multistate operator, it is important that Idaho Power explicitly identify assets, programs, costs and valuation for each state and each fire risk area within the state. Further, there is limited discussion about how technologies that might offer co-benefits to the utility's system are evaluated, and this should be enriched. Ideally, this would be tied to best practices and innovative options identified by participating in activities described in OAR 860-300-0020(1)(U) or via research performed by the Company.

Staff agrees with the IE recommendation, Subject Area 9, that Idaho Power should continue to produce information consistent with the structure in Table 10, which outlines program level work by state and risk zone versus non-risk zone. Idaho Power, as a multistate operator should work with Pacific Power (as another multistate operator) to create a consistent reporting structure, and align against risk reduction and costs using that same construct.⁴⁰ Staff recognizes the substantial development of this subject area in House Bill 2021, relating to Clean Energy Plans, and the investigation conducted at the direction of the legislature in UM 2225, regarding resilience and community benefit indicators.

⁴⁰ See IE Report, p.20.

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Staff Recommendations for Idaho Power's 2024 Plan:

- 31) Include a summary of the quantitative analysis used in the choice and prioritization of specific solutions and investments, segmented by state and risk zone versus non-risk zone.
- 32) Explain how solutions providing co-benefits have been considered in its investment strategies.
- 33) Discuss the impact of participation in expert forums on identification of solutions most likely to provide the benefits anticipated. This should include:
 - a. Cited research, reports, and studies used in any analysis, unless the source is confidential.
 - b. How the factors unique to the Company's facilities and service territory were used when considering the applicability of specific options to its systems.

OAR 860-300-0020 (1)(j):

Description of participation in national and international forums, including workshops identified in section 2, chapter 592, Oregon Law 2021, as well as research and analysis the utility has undertaken to maintain expertise in leading edge technologies and operational practices, as well as how such technologies and operational practices have been used to develop and implement cost effective wildfire mitigation solutions.

Staff Analysis

Idaho Power met the requirement of this rule. However, consistent with the IE recommendation, Subject Area 10, Staff believes more specific details, including general knowledge sharing as well as specific information obtained from industry forums would be advisable.⁴¹ Staff believes the evolution of these plans, the valuation methods, the underlying equipment and the practices employed by utilities is at a very rich state of growth and anticipates that shared broadly would benefit a variety of stakeholders in understanding the demonstrable improvements the utilities are making, particularly since customers bear the costs of these learnings. Further, Staff believes there is an opportunity to leverage process which others have deployed relating to technology vision and maturity of the vision, using a maturity model. Staff believes the utilities may be at a point in their evolution to articulate the expected journey through the development of a maturity model, like the model developed by the California Public

⁴¹ See IE Report, p.21.

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Utility Commission's (CPUC) Wildfire Safety Division (WSD).⁴² Such clarity of vision would be helpful for stakeholders and regulators to gauge performance of the utilities in the future.

Staff Recommendations for Idaho Power's 2024 Plan:

- 34) In Recommendation 33, Staff recognized certain of the industry learnings were likely related to risk valuation, however directly responsive to the broader research and development and industry participation, Staff recommends Idaho Power provide specifics on program changes made in response to learnings from industry forums, as well as greater detail of who from the company participates and in what roles they function in various industry forums.
- 35) Staff recommends Idaho Power and joint utilities evaluate the CPUC WSD maturity model and develop an Oregon IOU rubric as part of their 2024 WMPs; Staff would welcome the opportunity to participate in such a collaborative work effort.
- 36) Explicit reporting on pilots identified but not carried out in Oregon.

OAR 860-300-0020 (1)(k):

Description of ignition inspection programs, as described in Division 24 of these rules, including how the utility will determine, and instruct its inspectors to determine conditions that could pose an ignition risk on its own equipment and pole attachments.

Staff Analysis

Idaho Power met the requirement of this rule. Staff further agrees with the IE's recommendation, Subject Area 11, that more rationale demonstrating any changes needed should be evidenced.⁴³ As a further recommendation, Staff believes summarization of root cause analyses of ignitions reported should be used to explain how the inspection program changes are further dialed in.

Staff Recommendations for Idaho Power's 2024 Plan:

- 37) Staff recommends Idaho Power demonstrate the use of its ignition management database to perform root cause analyses which led to any ignition inspection program changes.

⁴² <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M322/K150/322150488.PDF>.

⁴³ See IE Report, p.23.

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Conclusion

Staff recommends approval of Idaho Power's 2023 WMP. Staff provides its observation on modifications to be included in Idaho Power's next WMP and includes them in Attachment A.

As expressed in 2022, Staff considers WMPs to be living documents that demonstrate where the companies are in their evolution, on a journey, rather than a specific destination. Because of this journey, it is important that the WMP be not only the best representation of where the company is heading, but also provide mile markers for where they are and which mile posts they have already passed. Therefore, clearly identifying what data or experiences led to adoption of a certain process, technology or strategy is critical to their value. To explain further, Staff finds it important to instill the collaborative and transparent nature in developing WMPs to support the shared growth among the utilities, stakeholders, and regulators, and found the hesitancy and dismissal of Staff requests for decision-supporting details to be divisive and disruptive. This led Staff to feel that the utilities may have seen Plans as rhetoric over substance; serving as a 'check the box' activity rather than a detailed exploration demonstrating the logic of their decisions.

As demonstrated each year during fire season, wildfire risks are substantial and widely impactful. Staff finds Idaho Power's tone uncomfortable for people in high wildfire risk areas and for utility customers who will bear the costs of these plans, especially in light of affordability concerns raised by the current economic situation and stakeholders in UE 416, PGE's current rate case. The rate cases and the automatic adjustment applications the utilities have filed, make clear that the utilities are seeking very large quantities of funds to address these risks. However, without appropriate information provided in the wildfire mitigation plans, Staff is unable to assess whether the measures the utility is taking addresses the risk and/or are economically justifiable.

While Staff recommends the Commission accept Idaho Power's 2023 WMP, Staff's review makes no judgement on reasonableness. Commission acceptance of the Plan does not constitute a determination on the prudence of any individual actions discussed in the Plan. Staff understands that those individual actions, including project specific data, will be reviewed through the cost recovery process. Given the information lacking from the WMP review process the Company will need to provide additional information to prove that the actions contained in its WMP were prudent.

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PROPOSED COMMISSION MOTION:

Approve Idaho Power's 2023 Wildfire Mitigation Plan, direct Idaho Power to provide a supplemental filing regarding ignition inspections conducted within Oregon's YRZs, and incorporate Staff's recommendations in its 2024 Plan.

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- 1) Provide explicit details of assets within and outside the YRZ and RRZ using a common reporting structure (for multistate utilities).
- 2) Provide details for incorporation of climate change modeling in refining the YRZ and RRZs.
- 3) Joint IOUs explore calibration of wildfire risk modeling methods to ensure that when and where overlaps occur, they are consistent, or explicably inconsistent, in their risk designation. Such designation and coordination across utilities may lend greater clarity for stakeholders and Staff to understand relative risks.
- 4) Detail recommendations from local partners and customers in establishing risk zones, including the inclusion of remote fire suppression resources in establish risk levels.
- 5) Provide historic root cause analysis supporting equipment ignition risk determinations.
- 6) Provide effectiveness results using specific outage causes within YRZ, RRZ and non-fire risk areas compared to the mitigation measures undertaken within those specific areas and calculate mitigation effectiveness.
- 7) Demonstrate the Company's ignition reporting processes.
- 8) Demonstrate the use of effectiveness metrics and ignition reporting investigation in modifying programmatic changes to specific assets or equipment types.
- 9) Detail progress made towards a uniform risk-spend valuation methodology.
- 10) Provide planned and actual work completed and dollars planned and actually spent by program for the prior and future years, as well as associated estimations of risk reduction for the work completed, compared to their original estimations separated by system, Oregon and Idaho.
- 11) Provide a multiyear plan with project-level details for multi-year capital investments, with objective priorities identified and the estimated wildfire risk reduction for the project's selected mitigation method separated by system, Oregon and Idaho.
- 12) Include in WMP a clear map of Oregon service territory that could be affected by PSPS or other modified system operations.
- 13) Engage with Public Safety Partners, including ESF-12, in areas outside and within RRZ and YRZ to discuss wildfire risks and methods taken to mitigate risk including modified system operations and PSPS.
- 14) Include as an appendix to its WMP a registry of Public Safety Partner events, identifying hosting organization, with feedback provided and actions taken because of the feedback.
- 15) Provide findings of analyses on operational modifications based upon "fire season", FPI levels or other relevant elevated wildfire periods.
- 16) Staff recommends that Idaho Power outline roles and responsibilities that are in place during modified system operations, including PSPS activations; Idaho Power should communicate this structure to Public Safety Partners, at a minimum during tabletops or exercises.

- 17) Staff recommends that Idaho Power explore how and when placing and operating CRCs is reasonable given the remote areas in which Idaho Power serves in Oregon.
- 18) Joint IOUs establish language for Public Safety Partners and communities regarding modified operational practices, including “sensitive settings”, PSPS and other utility operational modes to mitigate wildfire risk.
- 19) Coordinate community outreach with partners, including ESF-12, and consider broadening the workshop to include relevant community safety topics, inviting Public Safety Partners regarding other topics appropriate to the community.
- 20) Detail methods for determining the effectiveness of customer outreach and describe any modifications made to outreach strategies as a result.
- 21) Provide summary of planned versus actuals for assets in Oregon consistent with inspection intervals¹.
- 22) Validate that correction timeframes in Idaho Power’s routine inspection and correction program relating to Priority 3 violations are corrected consistent with OAR 860-024-0018.
- 23) Provide greater detail outlining methods to identify elevated fire risk observations during ignition inspection or routine inspection activities.
- 24) Demonstrate the use of its ignition tracking process to support its approach to ignition prevention inspections.
- 25) Assess and validate QA/QC program for ignition prevention and other inspection activities and outline a reasonable quality assurance level and associated costs for administering the program.
- 26) Utilize the previously recommended RSE methodology to determine the risk reduction for enhanced vegetation management both inside YRZs as well as outside YRZ or RRZs.
- 27) Provide details for work planned and completed relating to vegetation management both within and outside YRZs in Oregon (as well as system-wide)
- 28) Conduct root cause analysis for vegetation-related risks be conducted to support the determination of optimal vegetation management actions.
- 29) Demonstrate the use of Idaho Power’s reporting process to evaluate the logic of its programmatic decisions for vegetation management in YRZs and non-YRZs in Oregon and system wide.
- 30) Provide plan and actual experience with QA/QC program performance within and outside YRZs in Oregon and system wide.
- 31) Include a summary of the quantitative analysis used in the choice and prioritization of specific solutions and investments, segmented by state and risk zone versus non-risk zone.
- 32) Explain how solutions providing co-benefits have been considered in its investment strategies.

¹ See Idaho Power WMP, Table 8 p 57

- 33) Discuss the impact of participation in expert forums on identification of solutions most likely to provide the benefits anticipated. This should include:
- a. Cited research, reports, and studies used in any analysis, unless the source is confidential.
 - b. How the factors unique to the Company's facilities and service territory were used when considering the applicability of specific options to its systems.
- 34) In Recommendation 33, Staff recognized certain of the industry learnings were likely related to risk valuation, however directly responsive to the broader research and development and industry participation, Staff recommends PGE provide specifics on program changes made in response to learnings from industry forums, as well as greater detail of who from the company participates and in what roles they function in various industry forums.
- 35) Staff recommends Idaho Power and joint utilities evaluate the CPUC WSD maturity model and develop an Oregon IOU rubric as part of their 2024 WMPs; Staff would welcome the opportunity to participate in such a collaborative work effort.
- 36) Explicit reporting on pilots identified but not carried out in Oregon.
- 37) Staff recommends Idaho Power demonstrate the use of its ignition management database to perform root cause analyses which led to any ignition inspection program changes.