STATE OF CALIFORNIA

GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

May 11, 2020

**SUBJECT:** **Request for Stakeholder Input on the Wildfire Safety Division's Proposed Strategic Roadmap: *Reducing Utility Related Wildfire Risk: Strategy and Roadmap for the Wildfire Safety Division***

Pursuant to Senate Bill (SB) 901 (2018), the California Public Utilities Commission (CPUC) has required electrical corporations (hereafter utilities), subject to CPUC jurisdiction to submit Wildfire Mitigation Plans (WMP) assessing the level of wildfire risk and outlining their plans to address this risk. The CPUC's Wildfire Safety Division (WSD), along with experts from the CPUC's Safety and Enforcement Division and the California Department of Forestry and Fire Protection (CAL FIRE) determine whether the actions proposed by each utility are appropriate to address the level of risk identified and whether the plan will put the utility on a path to achieving the CPUC's long-term wildfire risk-reduction goals. California's investor-owned utilities submitted their first wildfire mitigation plans to the CPUC in 2019.

The newly established WSD, within the CPUC, will play a particularly critical role in addressing growing wildfire risk. Building on lessons learned from the 2019 submissions and the 2019 wildfire season, the WSD implemented changes to the wildfire mitigation plan process in a Ruling issued December 16, 2019 in Rulemaking (R.) 18-10-007. Electrical corporations submitted 2020 WMPs under this new framework on February 7, 2020. The WSD issued its draft determinations on 2020 WMPs on May 7, 2020 (*see* www.cpuc.ca.gov/wildfiremitigationplans).

In 2021, the WSD will transition to the California Natural Resources Agency (CNRA), per Assembly Bill 1054 and AB 111, where the WSD mission will continue as the Office of Energy Infrastructure Safety (OEIS). With this in mind, the WSD developed a proposed strategic roadmap (Proposed Roadmap) for WMPs that includes specific objectives, actions, and performance measures to underpin its going-forward WMP process, recognizing the need to focus on longer-term goals and outcomes while also executing activities and achieving measurable progress in the near-term. With a long-term vision and specific objectives, the WSD's review of WMPs will have greater effectiveness and account for a fuller set of impacts, tradeoffs, and considerations for the state to support better decision-making. This Proposed Roadmap contains specific objectives, actions, and performance measures to underpin the WMP evaluation process in future years.

Building on the CPUC experience of the 2019 WMPs and other utility wildfire mitigation initiatives in California, the WSD, with consulting services, sought to learn from global practices and other industry examples, while supporting California's ability to continue defining new paradigms and standards for addressing utility-related wildfire risk. The WSD consulted with stakeholders at other state agencies, including CAL FIRE, Cal OES, California Energy Commission, California Air Resources Board, and entities within the California Natural Resources Agency such

as the Forest Management Task Force on the development of the WSD strategy. Ultimately, the effectiveness of utility-related wildfire efforts requires the WSD and utilities to closely and thoughtfully coordinate with public and private actors on a broader set of activities.

The Proposed Roadmap, titled *Reducing Utility Related Wildfire Risk: Strategy and Roadmap for the Wildfire Safety Division,* and supporting appendices is attached to this letter.

**Strategic Approach for the WSD**

As part of wildfire mitigation planning, it is recommended that the WSD ensures electrical corporations are balancing near-term activities that make each wildfire season less harmful to the public with activities focused on long-term, systematic risk reduction. To help achieve this equilibrium, four principles guide the Proposed Roadmap for the WSD:

- **Effective collaboration:** Coordinating an integrated utility wildfire approach that breaks down silos and engages stakeholders in strategic decision-making and operations;
- **Local perspective:** Developing a flexible, localized utility wildfire mitigation approach that considers differences in wildfire risk exposure in communities;
- **Long-term resilience:** Creating a utility wildfire mitigation vision that extends the planning horizon to focus on longer-term resilience and adaptation; and
- **Risk-informed, data-supported decisions:** Using data effectively to understand and plan for risk and set up stakeholders to act in a way commensurate to reducing risk.

To work towards these four principles in the context of utility-related wildfires, the Proposed Roadmap proposes establishment of a clear vision: **A sustainable California, with no catastrophic utility-related wildfires, that has access to safe, affordable, and reliable electricity.**

**Proposed Roadmap Vision, Priority Actions, and Areas for Collaboration**

In an effort to take action today towards this proposed vision, the WSD has identified four priority actions it is actively pursuing. These four priority actions are:

- **Utility Wildfire Mitigation Plans**: Revised WMP process, including Guidelines and a Utility Wildfire Mitigation Maturity Model that focuses on understanding utility wildfire risk and program effectiveness to drive continued improvement and rigor over time (R.18-10-007);
- **Utility Metric Reporting**: Metrics to track and assess utility progress and performance against outcomes over time, ensuring continuous learning and adaptation (R.18-10-007);

- **Detailed Risk Assessment**: Modeling and analysis of wildfire risk from utility assets to communities and natural resources to be able to support utilities' wildfire mitigation resource allocation decisions; and
- **Data and Analytics Strategy**: Strategy to enable information sharing across stakeholders to support processes such as the Wildfire Mitigation Plan in the near-term, and drive analytics in the longer-term that will support prevention, response, and recovery activities.

**Collaboration to Achieve Wildfire Mitigation**

While the four actions above are a critical first step, the report also highlights certain areas where it is recommended that the WSD, and utilities, work collaboratively with others to successfully achieve the proposed vision. These areas of collaboration center on the processes, tools, and capabilities necessary to support the mitigation efforts of the utilities in the long-term, and include:

- **Governance and coordination**: Ensure utilities are planning and coordination mechanisms, incentives, and accountability measures to direct multi-stakeholder efforts and engage local communities;
- **Culture and behavior**: Develop a safety and risk management culture within utilities that is no longer focused solely on compliance, but proactively drives towards the vision for utility wildfire mitigation;
- **Applied science, technology, and data**: Leverage advancements in science, technology, and data and analytics that support more informed decision-making and create a shared understanding of utility-related wildfire risk; and
- **Workforce development**: Support the cultivation of a skilled, capable workforce at every level – from WSD leadership to those that are working on utility wildfire mitigation activities (e.g., foresters, electric linemen).

Changes to legislation and regulation governing utility wildfire mitigation, as well as funding available for prevention and mitigation initiatives, will also direct the WSD's efforts and regulation of utilities' plans.

**Proposed Roadmap Appendices**

The Proposed Roadmap has three draft appendices. Appendix 1 to the Proposed Roadmap is titled Global Strategies for Utility Wildfire Mitigation. This appendix presents global best practices in utility wildfire mitigation and overlays those practices on the current California landscape. Appendix 2 to the Proposed Roadmap is titled WSD Wildfire Vision and Objectives. This appendix presents an overarching vision and objectives for reducing utility wildfire risk that

underpins the strategies set forth in the Proposed Roadmap. Finally, Appendix 3 to the Proposed Roadmap is titled Utility Wildfire Mitigation Data Strategy. The purpose of the Data Strategy is to move beyond limitations of the current manual WMP review process.

**Request for Stakeholder Input**

The WSD requests input from stakeholders on the Proposed Roadmap. Stakeholders may submit comments to the Director of the WSD at wildfiresafetydivison@cpuc.ca.gov, with service on the R.18-10-007 service list. Stakeholder comments are due by close of business June 30, 2020. The WSD has also requested input from the Wildfire Safety Advisory Board.

**Conclusion**

While utilities are already undertaking wildfire mitigation activities and building capabilities, they must continue to make progress. Utility activities need to incorporate longer-term thinking and take a more robust strategic approach focused on the most impactful actions – all with a local lens. Over time, this Proposed Roadmap, supporting appendices and related activities will evolve as the WSD and utilities continue to learn from their experiences and from others. The WSD looks forward to receiving and reviewing stakeholder input on the Proposed Roadmap.

Sincerely,

Caroline Thomas Jacobs
Director, Wildfire Safety Division
California Public Utilities Commission