



The Honorable Frank Pallone Chairman Committee on Energy & Commerce U.S. House of Representatives Washington, DC 20515 The Honorable Greg Walden Ranking Member Committee on Energy & Commerce U.S. House of Representatives Washington, DC 20515

## Statement for the Record Hearing on The Impact of Wildfires on the Power Sector January 28, 2020

The Edison Electric Institute (EEI) appreciates the opportunity to submit this statement on the impacts of wildfires on the electric power sector and efforts to mitigate wildfire risk and increase the resilience of the energy grid.

EEI is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for more than 220 million Americans and operate in all 50 states and the District of Columbia. The electric power industry supports more than 7 million jobs in communities across the country and contributes \$865 billion annually to U.S. gross domestic product, about 5 percent of the total.

EEI's member companies invest more than \$110 billion each year to make the energy grid stronger, smarter, cleaner, more dynamic, and more secure; to diversify the nation's energy mix; and to integrate new technologies that benefit customers. Across the industry, there is strong evidence of their commitment to get as clean as they can, as fast as they can, while keeping reliability and affordability front and center, as always, for the customers and communities they serve.

We appreciate the Subcommittee on Energy and the Subcommittee on Environment and Climate Change holding a joint hearing on this important issue. EEI's member companies are focused on devising and implementing comprehensive programs to mitigate and manage the risks that electric transmission and distribution equipment may pose in an environment of heightened wildfire threats. These plans include expanding vegetation management cycles, improving emergency response capabilities, and making new infrastructure and technology investments. Much attention obviously is focused on California, but communities throughout the West are facing increased wildfire threats, and wildfires occur in almost every state in the country. That is why our industry has elevated its wildfire risk mitigation and response efforts to a national level.

While the focus of this hearing is wildfires, it is important to note that the electric power sector takes an all-hazards approach to protecting the energy grid. This includes improving resilience in the wake of natural hazards like wildfires, severe weather, and earthquakes, as well as malicious threats like cyber and physical attacks on critical infrastructure.

The CEO-led Electricity Subsector Coordinating Council (ESCC) serves as the principal liaison between the federal government and the electric power industry, with the mission of coordinating efforts to prepare for, and respond to, national-level disasters or threats to critical infrastructure. The ESCC focuses on actions and strategies that help protect the grid, prevent various threats from disrupting electricity service, and develop capabilities that help the sector quickly respond and recover when major incidents impact the grid.

The ESCC includes CEOs and executives from electric companies, public power utilities, and electric cooperatives, as well as their trade association leaders, who represent all segments of the electric power industry. Through the ESCC, the industry works closely with its government partners, including senior administration officials from the White House, cabinet agencies, federal law enforcement, and national security organizations. Canadian electric company executives also are represented on the ESCC due to the international interconnection of the North American energy grid.

Given the risks and impacts associated with wildfires, the ESCC has made wildfire mitigation and response a priority. Specifically, this partnership is focused on deploying system hardening and resilience solutions while also improving operations and response processes, including:

- Developing improved practices for wildfire prevention, mitigation, and response through the EEI National Response Event framework and the Association of Edison Illuminating Companies.
- Working with the Department of Energy (DOE) and Grid Modernization Laboratory Consortium (GMLC) to expedite deployment of technology to mitigate the wildfire risks that electric equipment may pose, including sensing and detection technologies; enhanced situational awareness tools; modeling and analytical capabilities; and spark prevention solutions.
- Leveraging government and private-sector satellite imagery to identify priorities for risk mitigation and wildfire response.

- Supporting more aggressive vegetation management in rights-of-way, as well as improving access to federal lands to limit contact with power lines.
- Partnering with the Power Marketing Administrations, which operate electricity infrastructure throughout the West.

In addition to these industry-wide public-private partnerships, EEI and its member companies also are utilizing existing mutual assistance frameworks to expedite deployment and integration of system hardening technologies and solutions. These include selective undergrounding of high-priority lines, the use of covered conductor to limit sparking of broken lines, and expanded use of automatic reclosers with more sensitive settings to prevent sparking when debris blows into power lines.

The mutual assistance construct, a hallmark of this industry, can play an important role in responding and recovering from incidents. In fact, EEI's National Response Event framework and member companies' mutual assistance networks were used in November 2019 to marshal nearly 1,000 workers from across the country to support inspections and power restoration following a Public Safety Power Shutoff (PSPS) event in California.

The work of wildfire risk mitigation and response requires significant labor resources from the affected companies, the mutual assistance network, and the electrical contractor community. Ensuring these resources can be deployed quickly, with as few barriers as possible, can help expedite inspections, system hardening, and restoration work.

California's unique wildfire liability regime—which holds electric companies strictly liable for all damages resulting from any fires that may have been ignited by their equipment even if the company did not act negligently—makes it more difficult to provide mutual assistance. The entire electric sector is proud of the quick response that is always provided when help is needed to restore power, and concerns about liability are not an issue for mutual assistance efforts after storms and other disasters. EEI is working to try to address concerns that those companies who provide Good Samaritan assistance in California also may be held liable for damages. Customers in other states should not have to bear the burden of these strict liability damages because their local electric company stepped up to help.

As noted above, managing vegetation on electric transmission and distribution rightsof-way (ROWs) is another key part of our industry's efforts to reduce potential wildfire risks while protecting the security and reliability of the energy grid. Electric companies must have timely access to ROWs to perform necessary vegetation management, as well as routine operations and maintenance work. However, additional challenges arise when ROWs cross federal lands, where companies face significant delays in obtaining approvals from federal land management agencies to implement comprehensive vegetation management programs, both within and abutting their ROWs.

With the increase in devastating wildfires, EEI and its member companies have sought to address vegetation hazards proactively and to resolve difficulties in accessing ROWs. For more than a decade, EEI has placed the issue front and center as a major policy issue for our membership. EEI members have testified before Congress on the importance of vegetation management and support legislation that would facilitate their ability to manage and mitigate potential wildfire risks. We also have worked extensively and consistently with the federal land management agencies on administrative pathways for implementing a more coordinated and cooperative approach to ROW vegetation management programs across the landscape.

In 2016, EEI and the federal agencies renewed our Memorandum of Understanding on Vegetation Management for Power Line Rights-of-Way (MOU) to facilitate cooperation and coordination among the parties within and immediately adjacent to existing and future power line ROWs and associated facilities. The MOU facilitates implementation of cost-effective and environmentally sound vegetation management plans, procedures, and practices for power line ROWs that will reduce adverse environmental and cultural impacts while enhancing the ability of electric companies to provide uninterrupted electricity to customers and to address public safety.

We appreciate the work done by Congress to develop and pass the vegetation management provisions for power line ROWs on federal lands in the FY 2018 Omnibus Appropriations Act (Act). Building on the success of the MOU, the legislation directs electric companies to prepare, and federal land managers to review and approve, comprehensive operating plans for their electric facilities on Bureau of Land Management (BLM) and National Forest System lands. The Act also authorizes electric companies to address imminent threats from "hazard" trees.

The goal of the 2018 legislation is to decrease case-by-case approvals for routine vegetation management and O&M activities. EEI is working closely with electric company vegetation managers and federal land agencies to ensure full and effective implementation of the Act; we appreciate Congress's ongoing interest in achieving that goal.

EEI filed comments in November 2019 on the Forest Service's proposal to implement the Act, requesting several clarifications and advocating for the necessary categorical exclusions to expedite approvals. We expect BLM to initiate a similar process soon. In the interim, both agencies have issued guidance to their field offices directing them to facilitate electric company vegetation management work in a timely manner to reduce the risk of wildfires and to ensure reliability. Electric companies are taking steps to mitigate the risks that transmission and distribution equipment may pose in an environment of increased wildfire risks in California, the West, and throughout the country. While electric company equipment can spark wildfires, many other factors contribute to the increased risk. Local land use and planning may be outside the jurisdiction of this Committee and Congress, but federal legislators must encourage and incent states to develop comprehensive plans to mitigate overall wildfire risks.

These plans must address zoning and land use policy that allows continued development and redevelopment in the wildland urban interface (WUI). They also must address homeowner resilience efforts and building codes and standards, as well as appropriate insurance coverage for citizens who choose to live in high wildfire risk areas. In addition, states must better fund efforts to manage their own forest lands, as well as their own fire suppression efforts. Electric companies, whose employees live and work in the communities they serve, want to partner with states and localities to develop and implement these comprehensive wildfire risk and damage plans.

EEI appreciates the opportunity to submit this statement, and we look forwarding to continuing to work with the Subcommittees and others in Congress to address these important issues.