

Comprehensive Wildfire Mitigation Strategy: Industry Discussion Document

Increasingly frequent wildfires and catastrophic wildfires, regardless of ignition source, pose a significant threat to citizens and communities, as well as to electric companies and electric infrastructure. Electrical equipment use is just one of the many human activities that can result in wildfires, and electric companies take the threat of wildfires very seriously. They continue to take steps to mitigate the risk of wildfires and to withstand them should they occur.

The mitigation actions taken by individual electric companies are reflective of their specific risk profile, which varies as a result of many factors. There are categories of wildfire mitigation activities that are common to electric companies and that can be implemented in ways that reflect a company's risk.

The range of mitigation activities includes:

- Wildfire Risk Assessment
- Situational Awareness
- Vegetation Management
- Operational Practices (including PSPS)
- Training
- Community Outreach and Communication
- Grid Hardening
- Technology Deployment

And, among the many proactive actions that they already are taking to reduce their wildfire risks, electric companies are:

- Making significant investments to harden their infrastructure to make it stronger and more resilient to wildfire and potential ignition events.
- Developing wildfire mitigation plans and enhancing wildfire mitigation response capabilities.
- Investing in and installing advanced technologies and monitoring systems, such as weather sensors and meteorological services, remote sensing, and aerial surveillance, to detect potential fire threats.
- Implementing comprehensive programs to ensure that power lines and electrical infrastructure are properly maintained and clear of vegetation and other potential wildfire fuel sources.
- Continuously evaluating their operational practices, including the use of public safety power shutoffs (PSPS).

The development of a comprehensive mitigation strategy and industry-wide actions serves multiple purposes. Among them:

- Educate industry stakeholders, including the financial and insurance communities, as well as the ratings agencies, about the proactive steps electric companies are taking to reduce wildfire

risk, while also educating these key stakeholders about how to evaluate electric companies' mitigation actions.

- Limit regulators' post-wildfire analysis of whether electric companies undertook appropriate mitigation and develop support for regulatory approval for mitigation investments pre-wildfire.
- Inform third-party assessments (including court assessments) of whether electric companies' actions conformed to the standard of care in the event of a wildfire.

In addition, as EEI develops proposals for state or federal funds or other tools to reduce liability and to provide financial resources to cover third-party losses, it is likely that some demonstration of minimum electric company action will be required to access the funds or other financial support.

Framework for Industry-wide Wildfire Risk Mitigation Actions

The framework for industry-wide actions outlined below balances the importance of a consistent approach to wildfire risk mitigation across the industry with the need to allow individual electric companies to tailor their activities to their specific risks.

1. Recognizing increased wildfire risk across the country, EEI member companies will commit to perform and document an initial (or updated) risk assessment to determine their specific risks.
2. EEI member companies will develop a wildfire mitigation plan commensurate with their risk profile as informed by their risk assessment. Each plan will discuss categories of identified mitigation activities, but no mitigation action would be required solely because it was included in the plan; rather, each electric company will discuss which actions make sense for their service area and, as appropriate, will outline a timeline for implementation of such actions, pending regulatory approval.
 - a. The goal of proactive shutoffs is to address imminent wildfire threats to minimize the possibility for catastrophic damages and loss. As part of their wildfire mitigation plans, companies will explore the development of an appropriate proactive power safety shutoff program that reflects local considerations, system configuration, and regulatory requirements. The implementation of this proactive shutoff program will reflect the urgency of the risks each company faces. The scope and triggering events for its use should be determined by each company in light of its risks, which can include a holistic assessment of the risks posed by shutting off the power to certain customers and communities. As companies reduce risks through technology deployment, operational practices, increased situational awareness, and other means, the frequency and scale of these proactive shutoffs will decline.
 - b. At companies' discretion, risk assessments and mitigation plans could be broadened to include other resilience challenges, particularly for those companies with comparatively lower wildfire risks.
3. Ensuring that relevant stakeholders are aware of electric companies' efforts to identify and mitigate wildfire risk is essential. Electric companies will take appropriate steps to socialize their wildfire mitigation plan with a range of relevant stakeholders, including state economic regulators. As appropriate or required, companies will make these plans public, including by filing them with state economic regulators for information or for approval.

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