
**SENATE COMMITTEE ON ENERGY, UTILITIES AND
COMMUNICATIONS**
Senator Ben Hueso, Chair
2019 - 2020 Regular

Bill No:	SB 801	Hearing Date:	05/14/2020
Author:	Glazer		
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Urgency:	No	Fiscal:	Yes
Consultant:	Nidia Bautista		

SUBJECT:Electrical corporations: wildfire mitigation plans: deenergization: public safety protocol

DIGEST: This bill would establish new requirements on electrical corporations regarding deployment of backup electrical resources to customers receiving medical baseline allowance, if the customer meets specified conditions, and require an electrical corporation to develop its program to provide backup electrical resources in consultation with community disability rights groups or other local disability rights advocates.

ANALYSIS:

Existing law:

- 1) Establishes the California Public Utilities Commission (CPUC) has regulatory authority over public utilities, including electrical corporations. (California Constitution, Article XII)
- 2) Requires each electrical corporation to annually prepare and submit a wildfire mitigation plan to the CPUC for review and approval, as specified. Following approval, the CPUC is required to oversee compliance with the plans. (Public Utilities Code §8386)
- 3) Requires a wildfire mitigation plan of an electrical corporation to include, among other things, protocols for deenergizing portions of the electrical distribution system that consider the associated impacts on public safety. As part of these protocols, an electrical corporation is required to include protocols related to mitigating the public safety impacts of deenergizing portions of the electrical distribution system that consider customers that receive medical baseline allowances. (Public Utilities Code §8386(c)(6))
- 4) Authorizes an electrical corporation to deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer

receiving a medical baseline allowance if the customer meets specified conditions. (Public Utilities Code §8386(c)(6)(C))

- 5) Requires the CPUC to establish a standard limited allowance in addition to the baseline quantity and higher energy allocation of gas and electricity for residential customers dependent on life-support equipment and patients being treated for a life-threatening illness or who have a compromised immune system, if a medical professional, as specified, certifies in writing to the utility that the additional heating or cooling allowance is medically necessary to sustain life or prevent deterioration of the person's medical condition. (Public Utilities Code §739 (2)(c))

This bill:

- 1) Requires an electrical corporation to deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance if the customer meets those conditions.
- 2) Requires an electrical corporation to develop its program to provide backup electrical resources or financial assistance in consultation with community disability rights groups or other local disability rights advocates.

Background

California wildfire and electric utility infrastructure. Electrical equipment, including downed power lines, arcing, and conductor contact with trees and grass, can act as an ignition source. Risks for wildfires also increased with the extended drought and bark beetle infestation that has increased tree mortalities and, as a result, increased the fuel, and risk for wildfires. According to the California Department of Forestry and Fire Protection (Cal FIRE), power lines were the second-leading cause of wildfires in 2013. In recent years, California has experienced a number of catastrophic wildfires, including several that ignited by electrical utility infrastructure, including the 2007 Witch Fire in San Diego County, the 2015 Butte Fire, several of the 2017 fires that ravaged the state, and the brutally deadly Camp Fire in 2018.

Deenergizing electric lines. Generally, electric utilities attempt to maintain power and ensure continued reliability of the flow of power. However, as recent catastrophic fires have demonstrated, the risk of fire caused by electric utility infrastructure can pose a great risk, perhaps greater than the risks of turning off the power to certain circuits. As a safety consideration, electric utilities have the ability and authority to deenergize electric lines in order to prevent harm or threats

of harm. However, deenergizing electric lines can result in the loss of power to households, businesses, traffic signals, communication systems, critical facilities, water treatment facilities, emergency services and others. Therefore, efforts to deenergize electric lines must consider the potential harm of the energized lines causing a wildfire against the safety hazards associated with eliminating electricity to the areas that are served by the line(s).

Recent history with power shutoffs. Although there is some history with proactive power shutoffs, their use as a tool to prevent sparking fires is a more recent development that has expanded and grown in-use due to California's recent experience with catastrophic wildfires ignited by utility infrastructure. The practice began by San Diego Gas & Electric (SDG&E) after several electric utility infrastructure ignited catastrophic fires in 2007. Proactive power shutoffs were one of the many measures SDG&E implemented to reduce the risk of fire ignited by its infrastructure (other measures included installing steel poles and expanding ground and aerial inspections). Although the use of proactive power shutoffs were met with opposition and concerns about its use, ultimately the CPUC acknowledged SDG&E's authority to deenergize lines in order to protect public safety, noting this authority in Public Utilities Code §451 and §399.2. In April 2012, the CPUC adopted a decision (D. 12-04-024) that required SDG&E to provide notice and mitigation, to the extent feasible and appropriate, whenever the utility deenergized electric lines. Additionally, the CPUC required SDG&E to provide specified reporting after a proactive power shutoff event and noted the CPUC may conduct a post-event review to determine whether the utility was reasonable.

CPUC extends proactive power shutoffs protocol requirements to other utilities. Following the catastrophic fires in 2017 (including Thomas and North Bay Fires), in July 2018, the CPUC adopted a staff resolution (ESRB-8) to extend the reasonableness, public notification, mitigation and reporting requirements in the SDG&E decision to all electric investor-owned utilities (IOUs), including Pacific Gas and Electric (PG&E) and Southern California Edison (SCE). Per the CPUC requirements, after a Public Safety Power Shutoff (PSPS) event, the utility must inspect the lines of the circuits that were shutoff before it can restore power. As such, the duration of a power shutoff event may last several days. Under Resolution ESRB-8, the CPUC also requires utilities to meet with local communities before employing the power shutoff practice in a particular area, requires feasible and appropriate customer notifications prior to a deenergization event, and requires notification to the Safety and Enforcement Division of the CPUC after a decision to deenergize facilities. In adopting the resolution, CPUC commissioners expressed a desire that the power shutoffs would only be used as a "last resort" by the utilities.

September/October 2019. At the end of September 2019, under high-speed Diablo wind conditions, PG&E sent PSPS notifications to a widespread region of its service territory and ultimately shutdown power in roughly two events to 76,000 customers in the North Bay and Sierra Foothill areas. This was the first back-to-back power shutoff event for PG&E in the same geographic area. These power shutoffs set the stage for continued PSPS activity throughout the month of October, as there were additional multiple proactive power shutoff events throughout the month within the service territories of each of the three large electric IOUs. In some cases, especially in the PG&E territory, these events bled into each other. As a result, customers experienced extended days with loss of power, as the utility did not have enough time to complete inspections of the deenergized electric lines before the initiation of the next PSPS event. In total, over two million California residents endured the loss of power in communities located in about 40 of the state's 58 counties. These incidents became even more challenging as wildfires in both northern California and southern California also meant some evacuations needed to be executed with a lack of reliable communication services, traffic signal outages, schools closed, and hospitals struggling to keep the lights on, even with their existing backup generators. Additionally, customer efforts to understand what infrastructure and which locations lost power were hampered as electric IOU websites were down – including those of PG&E and SCE – due to the increased traffic to each of the utilities' websites. There were also reports about unreliable maps and confusing information regarding the affected geographic areas. This confusion was especially acute in the PG&E territory.

SB 901 requires power shutoff protocols. SB 901 (Dodd, Chapter 626, Statutes of 2018) included a requirement to adopt protocols for deenergization events. In December 2018, the CPUC opened a rulemaking proceeding (R. 18-12-005) to delve more deeply into the use of proactive power shutoffs as a wildfire prevention tool, including further examining deenergization policies and guidelines. In May 2019, the CPUC made its decision on Phase 1 of the proceeding (D. 19-05-042), adopting communication and notification guidelines for the electric IOUs to expand on those required in the July 2018 resolution. In August 2019, the CPUC opened a second phase of the proceeding to address identification and communication with access and functional needs populations, communication with customers while the power is turned off, communication during deenergization, mitigation measures, coordination with relevant agencies (including first responders), and transmission-level deenergization.

Medical baseline allowance. The medical baseline allowance provides residential customers who have qualifying medical conditions with additional energy allowance at the lowest tiered rate. Per the statute, IOUs are required to provide additional baseline allowance of gas or electric service for customers facing specified medical conditions, including life-threatening conditions or who are on

life-support. Additionally, the medical baseline allowance provides these households with advance notice of power outages since members of the households may be dependent on energy to survive. All three of the large IOUs currently administer medical baseline, and, as such, have existing processes for identifying these customers, including requiring physicians and other medical personnel to certify as to the medical condition. Customers on medical baseline are also provided the opportunity to amortize their bill payments, for a period up to 12 months, in order to avoid disconnection of service. Per SB 598 (Hueso, Chapter 362, Statutes of 2017), utilities are prohibited from disconnecting service to customers with life-threatening conditions, on life support or hospice care, and who cannot pay and are willing to enter into a payment schedule. SB 1338 (Hueso, Chapter 518, Statutes of 2018) required the CPUC to develop rules requiring each of the four largest energy utilities to demonstrate that they are working with the medical community to increase outreach to persons eligible for the medical baseline allowance.

California Alternate Rates for Energy (CARE) program. Existing law requires the CPUC to establish the CARE program, which provides assistance to low-income electric and gas customers with annual household incomes less than 200 percent of federal poverty guideline levels. The cost of this program is spread across multiple classes of customers. AB 327 (Perea, Chapter 611, Statutes of 2013) restructured the rate design for residential electric customers, including directing the CPUC to establish rates for the CARE program customers of the large IOUs. The set rates must effectively give a discount between 30 percent and 35 percent to eligible customers of electrical corporations with 100,000 or more customer accounts. Electrical corporations with fewer than 100,000 customer accounts offer a 20 percent discount.

Vulnerable populations, Legislature passes SB 167 (Dodd). During the recent PSPS events, customers who rely on electricity for medical devices struggled to find alternative sources of power or transportation to get to any of the limited community resource centers available to them, or to make contact with anyone who could help. During the fall 2019 events, state agencies and local agencies, including the California Health and Human Services Agency, county offices of emergency services, cities, and special districts (including first responders and water utilities) all struggled to respond to challenges created by the power shutoffs. In fall of 2019, Governor Newsom signed SB 167 (Dodd, Chapter 403, Statutes of 2019) which authorizes electric utilities to provide backup power sources to qualifying residents with medical conditions, who are low-income, and do not have another source of backup power. Currently, all three of the state's largest electric IOUs are piloting programs that deploy backup power to some of these customers. In some instances, the utilities are working with organizations that serve the access

and functional needs population to better connect with eligible customers. Electric utilities are also incorporating grid-hardening and other strategies to reduce wildfire risks and detailed in their wildfire mitigation plans. Moreover, there are additional programs to target provide financial incentives or help deploy backup power to customers who are the most vulnerable to power shutoffs. These programs include the Self Generation Incentive Program (SGIP). Recent CPUC decisions (D. 19-09-027 and D. 20-02-021) will help deploy 100 million dollars in the equity resilience category to support energy storage systems that provide electricity when there is an outage – including a proactive shutoff. This SGIP allocation will target the highest fire threat districts and support vulnerable customers, including those with medical needs. The CPUC also has an active proceeding on microgrids and resiliency with the goal of deploying microgrids in areas that are prone to outages and wildfires. On April 27th, CPUC President Batjer issued a proposed decision in Phase 2 of the proceeding on PSPS. The decision requires the utilities to collaborate with relevant stakeholders, including organizations representing the access and functional needs community and local governments to better locate and support the access and functional needs and medically vulnerable population.

Comments

Preparing for the loss of power. Power shutoffs are intended as a utility's last resort to mitigate the risk of fire. However, the growing threats of catastrophic wildfires and recent experience of the devastation and liability posed by the wildfires means the utility's voluntary use of power shutoffs is likely to increase. California residents face a number of other causes for power shutoffs, especially the very real threat of a large earthquake. As a result, Californians must generally be better prepared to live without power without much advance notice. Nonetheless, most residents are not likely to be prepared for such events, particularly if the events endure for multiple days. However, in the case of critical care and medically vulnerable customers, the need to be prepared for the loss of power, due to any cause, may be vital to sustain life. While hospitals maintain backup power systems, often in the form of diesel generators, many vulnerable customers may not have their own source of backup power at home.

Need to protect the most vulnerable. This bill appropriately requires electric utilities to work with organizations who have knowledge, expertise, trust, and relationships with the access and functional needs population. After the debacle with power shutoffs in the fall of 2019, this committee heard testimony from witnesses who spoke of the shortcomings of the electric utility programs. Since then, there have been many encouraging developments (as noted above) to better address the needs of these customers. Nonetheless, the author is valid in his

concerns to ensure utilities remain attentive and responsive to the needs of this population. However, a requirement to provide backup power for all customers that meet the eligibility criteria may be too costly to ratepayers, particularly when other programs are underway to help reduce the need for power shutoffs and help customers better prepare. More importantly, there is still much to learn about the effectiveness of the piloted programs. As such, there is a need to hold utilities accountable, while remaining nimble to the changing situations and responsive to the needs of the most vulnerable. *Therefore, the author and committee may wish to amend this bill to further narrow the population of customers who should receive the financial support or back up power system from the electric utilities. Specifically, the author and committee may wish to amend this bill to require that customers must also be located in the high fire-threat districts, in addition to the existing requirements to need electricity to sustain life, be eligible for the CARE program, and not have another source of backup power.*

SECTION 1.

Section 8386 of the Public Utilities Code is amended to read:

8386. (c)

(6) Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety. As part of these protocols, each electrical corporation shall include protocols related to mitigating the public safety impacts of disabling reclosers and deenergizing portions of the electrical distribution system that consider the impacts on all of the following:

(A) Critical first responders.

(B) Health and communication infrastructure.

(C) Customers who receive medical baseline allowances pursuant to subdivision (c) of Section 739. The electrical corporation ~~may~~ *shall* deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance for a customer who meets all of the following requirements:

(i) The customer relies on life-support equipment that operates on electricity to sustain life.

(ii) The customer demonstrates financial need, including through enrollment in the California Alternate Rates for Energy program created pursuant to Section 739.1.

(iii) The customer is not eligible for backup electrical resources provided through medical services, medical insurance, or community resources.

(iv) The customer is located in a high-fire threat district.

(D) An electrical corporation shall develop its program to provide backup electrical resources or financial assistance pursuant to subparagraph (C) in

consultation with community disability rights groups or other local disability rights advocates.

~~(D)~~ (E) Subparagraph (C) shall not be construed as preventing an electrical corporation from deploying backup electrical resources or providing financial assistance for backup electrical resources under any other authority.

Prior/Related Legislation

SB 862 (Dodd, 2020) (1) added planned deenergization events, as defined, within the conditions that constitute a state of emergency; and (2) recast and added new requirements of electrical corporations regarding protocols for these events. Among the recast and new requirements on electrical corporations are protocols to deal with individuals with access and functional needs, and requirements regarding coordination with local governments on the location and operation of community resource centers during deenergization events. The bill is to be heard by this committee on May 14, 2020.

SB 378 (Weiner, 2019) requires numerous provisions related to an electrical IOU decision to proactively shut off power, including requiring reimbursements of specified costs, specified penalties for shutting off power, and other reporting. The bill is currently awaiting to be referred to policy committee in the Assembly.

SB 167 (Dodd, Chapter 403, Statutes of 2019) required electrical corporations to include impacts on customers enrolled in specified programs as part of the protocols for deenergizing portions of their electric distribution system within their wildfire mitigation plans.

AB 1144 (Friedman, Chapter 394, Statutes of 2019) required the CPUC to support resiliency during a deenergization event for communities in high fire threat districts by allocating at least ten percent (\$16.6 million) of the annual allocation of the self-generation incentive program (SGIP) in 2020 for the installation of energy storage and other distributed energy resources for customers that operate a critical facility or critical infrastructure in these communities.

SB 1338 (Hueso, Chapter 518, Statutes of 2018) authorized a physician assistant to certify to the electric or gas utility that disconnecting service is medically necessary to sustain the life of the customer. The bill also required the CPUC to develop rules requiring each of the four largest energy utilities to demonstrate that they are working with the medical community to increase outreach to persons eligible for the medical baseline allowance.

SB 901 (Dodd, Chapter 626, Statutes of 2018) addressed numerous issues concerning wildfire prevention, response and recovery, including funding for mutual aid, fuel reduction and forestry policies, wildfire mitigation plans by electric utilities, and cost recovery by electric corporations of wildfire-related damages.

SB 1028 (Hill, Chapter 598, Statutes of 2016) required electric CPUC-regulated utilities to file annual wildfire mitigation plans and requires the CPUC to review and comment on those plans.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT:

California Solar + Storage Association
Disability Rights California
National Association of Social Workers – California Chapter
Tenet Healthcare
Western Manufactured Housing Communities Association

OPPOSITION:

Pacific Gas and Electric Company
Southern California Edison
San Diego Gas & Electric

ARGUMENTS IN SUPPORT: According to the author:

During PG&E's PSPS event that began on October 9, 2019, nearly 30,000 medical baseline customers were affected by power outages. This event was a stark reminder that as wildfires and PSPS events increase, more medically vulnerable Californians will be put at risk of losing power to devices they need to survive. PG&E recently agreed to provide battery packs for some medical baseline customers through groups that help those with disabilities. Their current plan will provide only 500 of these packs, but more than 100,000 people have signed up for the utility's medical baseline program. By requiring electrical corporations to provide resources for their customers that rely on life-saving devices, this bill protects the most vulnerable Californians. SB 801 ensures that medical baseline customers that rely on electrically powered medical devices, or need refrigerated medications, will not be put at risk during PSPS events.

ARGUMENTS IN OPPOSITION: In opposition to this bill, the three electric IOUs state that this bill is not necessary and does not consider the comprehensive approach the utilities are taking to address wildfire risks. Specifically, the utilities note the numerous measures they are instituting to reduce wildfire risks which will reduce the need for power shutoffs over time, including upgrading equipment, undergrounding in some areas, other electric grid hardening, sectionalizing of lines, and other backup power for some circuits. The utilities express concerns regarding the potential increased costs to their ratepayers if required to buy backup power for all eligible customers. Lastly, the utilities note that the active CPUC proceeding with a proposed decision out for public comment and expected to be adopted in the coming month or so.

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