

Date of Hearing: May 11, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 2070 (Bauer-Kahan) – As Amended April 25, 2022

Policy Committee: Utilities and Energy

Vote: 9 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill requires an electrical utility—whether an investor-owned utility (IOU) or a municipal utility (muni)—to notify a fire protection district of the utility’s intent to conduct certain activity.

Specifically, this bill:

- 1) Requires an electrical utility, at least 24 hours before, or, under certain circumstances, the earliest time possible, performing any of the following actions within a fire protection district’s jurisdiction, notify the fire protection district, via both telephone and email, of its intent to perform the action:
 - a) Scheduled, nonemergency “hot work” in a high fire risk area, which the bill defines as work on an energized overhead electrical line greater than 15 kilovolts and cutting, welding, thermit welding, brazing, soldering, grinding, thermal spraying, thawing pipe, installation of torch-applied roof systems, or any other similar activity on electrical infrastructure.
 - b) Deployment of a safety and infrastructure protection team, or a similar fire suppression or emergency response crew, to a location in a high fire risk area where hot work will be performed.
 - c) A prescribed or controlled burn.
- 2) Prohibits requiring an electrical utility pay any fee for a fire district’s costs to preposition resources in response to a notice provided pursuant to this section.
- 3) Subjects an electrical utility that violates the provisions of this bill to a civil penalty of \$500.
- 4) Prohibits an electrical utility from recovering from ratepayers any costs incurred pursuant to this subdivision and directs that those costs, when paid by an IOU, be paid solely by the shareholders of the IOU.

FISCAL EFFECT:

The costs of this bill to state government depend on interpretation of its requirements.

The bill provides no explicit role for the CPUC. However, the CPUC oversees and regulates IOU operations. It is therefore reasonable to expect the bill to require the CPUC to ensure IOUs comply with the bill's notification requirements. The CPUC would face resulting costs of an unknown amount, but likely over \$150,000 annually.

However, the bill provides for a civil penalty. The CPUC is not authorized to assess civil penalties. Therefore, it is reasonable to assume local governments would enforce compliance with the requirements of the bill, in which case CPUC's cost would be minor and absorbable.

COMMENTS:

- 1) **Purpose.** The author intends this bill to ensure local fire districts have forewarning of activity performed by IOU staff or contractors that the author describes as risking fire. According to the author:

AB 2070 will increase accountability and transparency by requiring all electrical utilities to notify local fire districts at least 24 hours before conducting mitigation or planned burns in a high fire risk area during fire season. This will ensure that local fire districts are aware and prepared when utility companies conduct "hot work" or controlled burns within their jurisdiction. When fire districts know in advance that there is risky work being conducted in their area, they can be prepared by having fire personnel and equipment poised and ready. Without this critical notification from utilities, districts can be caught off guard and lose precious moments to stop the flames should a fire break out. It is essential we give fire districts all the tools they need, especially during fire season.

- 2) **Background.** In recent years, California has suffered many especially large, and especially destructive wildfires. The risk of wildfire is likely to continue, and grow, as it is warmer and drier for longer periods of the year.

The Department of Forestry and Fire Protection (Calfire) classifies areas of the state by their risk of fire and publishes maps these classifications as part of its Fire and Resource Assessment Program.

Electrical utility crews regularly perform a variety of work on power lines. This bill regulates such work, when not an emergency, performed in an area Calfire has classified as being among the most at risk for fire.

It is understandable a fire district would want to know when work that has a high risk of igniting a fire is being done within the district. Clearly, such work would include a prescribed or controlled burn or other work that involves sparks or open flames around fuel. However, this bill casts a broad net. The bill requires an IOU to provide 24 hour notice to a fire district whenever the IOU is to perform "hot work," which the bill defines, in part, as "work on an energized overhead electrical line greater than 15 kilovolts." The IOUs report having many crews in the field performing "work" on such an energized overhead line, which the IOUs contend includes clearing fuel from around areas where hot work will be performed. It is not clear there is value in an IOU informing a fire district of such work.

Analysis Prepared by: Jay Dickenson / APPR. / (916) 319-2081