

<b>WILDFIRE OMNIBUS</b>		
<b>Bill Number: SB 762 - Wildfire</b> <b>Chapter: 592, OR Laws 2021</b> <b>Effective Date: July 19, 2021</b>		
<b>Creates new provisions to require utilities to have wildfire protection plans and for the PUC to convene workshops on wildfire best practices</b>		
<i>Rulemaking Required?</i>	<i>Report Required?</i>	<i>Other Requirements?</i>
Yes (already pending)	No	Convene Workshops (OWEC)

**Sponsor:**

**Project Manager:**

**Support Team:**

**Summary** <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB0762/Enrolled>

SB 762 is a comprehensive, omnibus wildfire bill that establishes new electric utility system mandates to identify and assist in mitigating wildfire risks. Sections 1 – 6 impact electric systems and the PUC directly and indirectly.

Section 2 requires the PUC to convene workshops for the purpose of helping all utilities in Oregon and operators of electrical transmission and distribution systems develop and share information on identifying, adopting and carrying out best practices regarding risk-based wildfire protection and mitigation, procedures and standards.

Sections 3 – 5 focuses on requiring both investor-owned utilities (IOUs) and consumer-owned utilities (COUs) to operate under a risk-based wildfire protection plans.

The IOUs must submit plans to the PUC by December 31, 2021.

- The PUC must evaluate the plans to ensure they are based on reasonable and prudent practices identified through the workshops established under Section 2 and based on PUC standards adopted by rule.
- The PUC must determine how often the risk-based protection plans are updated by the public utilities and would review the updated plans when filed with the PUC.
- The bill sets a six month timeframe for PUC approval, or approval with conditions, after receiving a wildfire protection plan or plan update.
- The PUC is required to adopt rules for Section 3 (risk-based wildfire protection plan development, approval or conditional approval), and is directed on what must be included in the rulemaking (procedures and standards regarding vegetation management, public power safety shutoffs and restoration, pole materials, circuitry and system monitoring).

- A new section on penalties is included and directly tied to violations for Section 3 of the bill.
- The PUC must establish an automatic adjustment clause, or other method, to allow public utilities to recover costs for development, implementation/operation of a wildfire protection plan.

COUs must also develop and periodically update risk-based wildfire mitigation plans. Copies of COU risk-based wildfire mitigation plans are submitted to the PUC once they have been approved by their governing body.

**Major Tasks**

The PUC has already implemented Section 2 through work is currently being undertaken through the Governor’s Executive Order 20-04 and the creation of the Oregon Wildfire Electricity Collaboration (OWEC). Section 2 essentially codifies work identified under EO 20-04.

The PUC is implementing Sections 3-6 through rulemaking docket AR 638 to adopt standards and requirements for Risk-based Wildfire Protection Plans and Planned Activities.

**Fiscal Impacts**

The PUC reported 1.0 FTE permanent Utility Analyst 3 to implement SB 762.

**Implementation Considerations and Information**

Section 35 requires the Governor to appoint a State Wildfire Programs Director to oversee the implementation of this bill and to coordinate and integrate the activities of state agencies. The Director is also required to report to the Governor and Legislature every 60 days to summarize progress of implementation, including additional opportunities engaging with electric utilities “regarding further actions to protect public safety, reduce risk to electric company customers and promote electrical system resilience to wildfire damage.”

**Implementation**

The PUC will implement SB 762 through three primary activities, which are reflected on the attached Gantt chart.

**1. OWEC Workshops:**

The PUC has held four collaborative workshops to date: (1) Identifying & Monitoring Wildfire Risk from Seasonal to Long-term Time Frames; (2) Utility De-Energization and Public Safety Power Shutoffs; (3) Adapting Vegetation Management to Changing Ecosystems; and (4) Fire Season Forecast, Risk Modeling, and Situational Awareness Tools. See [Oregon Wildfire Electric Collaborative](#). The PUC will resume workshops after 2021 fire season.

## **2. Wildfire Protection Plans:**

The first IOU wildfire protection plan reports are due by Dec 31, 2021. The PUC has opened a Phase I rulemaking ([AR 648](#)) to help inform initial plans; that rulemaking to be completed by Nov 2021. The PUC will review IOUs wildfire plans during first half of 2022. The PUC also opened broader permanent rulemaking ([AR 638](#)) on utility wildfire mitigation and prevention; that rulemaking to be completed in spring 2022, and will including permanent PSPS rules for 2022 fire season.

By June 30, 2022, COUs will file copies of risk-based wildfire protection plans approved by respective governing authorities.

## **3. Tariffs:**

The PUC will engage in a variety of forums with utilities and stakeholders to determine proper ratemaking mechanism under [ORS 757.210 to 757.220](#) for IOUs to recover all reasonable operating costs and prudent investments made to develop, implement or operate a wildfire protection plan.