

WILDFIRE MITIGATION PLAN

INDEPENDENT EVALUATION SERVICES

DECEMBER 16, 2019



CITY OF
PALO ALTO
UTILITIES

NAVIGANT

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BACKGROUND
OVERVIEW &
QUALIFICATIONS

LEGISLATIVE BACKGROUND



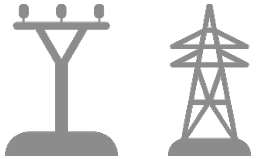
Senate Bill (SB) 901 was signed into law on September 21, 2018 in an effort to enhance utility practices in mitigating and preventing future catastrophic wildfires and increase the rate of recovery efforts

- Modified Public Utilities Code (PUC) Section 8387, which requires publicly-owned utilities to **develop** and **annually** present to their respective governing board a comprehensive Wildfire Mitigation Plan (WMP or Plan)
 - PUC Section 8387 outlines the required elements to be included in the Plan

Assembly Bill (AB) 1054 was recently signed into law on July 12, 2019

- Critical measure developed with consideration of the **Governor's Strike Force** 2018 Wildfire Safety and Reform package to establish state and regulatory Wildfire Safety entities and create a Wildfire Insurance Fund
- AB 1054 did not change the scope or approach for Plans adopted during this calendar year

INDEPENDENT EVALUATION PROVISIONAL REQUIREMENTS



(c) The local publicly owned electric utility or electrical cooperative shall contract with a qualified independent evaluator with **experience in assessing the safe operation of electrical infrastructure** to review and assess the **comprehensiveness** of its wildfire mitigation plan. The independent evaluator shall issue a report that shall be made available on the internet website of the local publicly owned electric utility or electrical cooperative, and shall present the report at a public meeting of the local publicly owned electric utility's or electrical cooperative's governing board.

CPAU contracted with Navigant in October of 2019 to perform a comprehensive assessment of its WMP

Source: California PUC Section 8387 (c)

NAVIGANT CONSULTING QUALIFICATIONS

- Navigant has provided **independent evaluation** (IE) services throughout the nation.
 - IE projects include storm hardening, wildfire mitigation, resiliency assessments, and advanced technology suitability.
- Navigant continues to track proceedings and pending legislation surrounding **utility wildfire risk** and remains active with WMP engagements across all jurisdictions.
 - E.g., Navigant continues to provide thought leadership and advisory services related to WMP and other resiliency efforts to the California Energy Commission (since 2008).
- Additionally, Navigant's reach into **grid resiliency** and disaster-hardening extends across the nation including island grids, such as Puerto Rico, recovering from recent, weather-related catastrophes.

We help clients to:



BUILD

capabilities and innovative solutions to transform businesses



MANAGE

complexity and remove barriers to accelerate operational performance



PROTECT

assets from adversity through compliance, security, and risk management

their future.



EVALUATION APPROACH

SCOPE & APPROACH

SCOPE

Navigant performed an assessment to determine the comprehensiveness of CPAU's WMP as required by PUC Section 8387 (c) and produced a results report to present to the governing board at a public meeting.

APPROACH


Navigant employed the following methods to successfully complete the evaluation:

- Assessed compliance elements against PUC Section 8387
- Performed a gap analysis of applicable strategies and Plan elements along with investor-owned utility Plan guidance
- Benchmarked CPAU's Plan elements against industry practices and standards

RESULT

(*) Source: <https://www.cpuc.ca.gov/FireThreatMaps/>

After completing the independent evaluation, CPAU's WMP is determined to be comprehensive and meets required statutory provisions listed in PUC Section 8387.



RESULTS & DISCUSSION

EVALUATION RESULTS



- Navigant determined that CPAU's WMP is **comprehensive** and meets the statutory requirements listed in PUC Section 8387
- The Plan elements align with industry standards and practices

Thank you. Any questions?

CONTACTS

ANDY DRESSEL

Associate Director

858-354-8333

andrew.dressel@Navigant.com