

Nancy Macy's comments: PP Presentation for COE Wednesday, July 27, 2023

(Slide 1 photo on screen) ... Good Afternoon. Thank you very much for the opportunity for us to provide the research and reasoning behind the idea of instituting a new Franchise Agreement with PG&E. As you've been told, a Franchise Agreement (FA) is a contract (here in the form of an ordinance), between a city or county and a utility, specifying the obligations that the utility bears in return for the privilege granted to the utility for their use of our public right-of-ways. The right is very valuable. The utility, PG&E, provides a Franchise Fee payment of 2% of its gross and, has specifically promised to provide a system in "good and workman like manner.

PG&E has failed for decades to upgrade its system, becoming steadily less reliable since long before wildfires became top priority, and climate change has exacerbated its many infrastructure-caused ignitions, so it is compelled to set its outmoded recloser equipment so it cuts off power without warning - causing severe personal and financial hardship, further failing to uphold its contract. We feel the County should endeavor to rectify the situation by establishing a new Franchise Agreement.

(Slide 2) I want to introduce you to those giving the presentation today. I am Nancy Macy... founding President of the Valley Women's Club (the VWC), and Chair of its Environmental Committee. I am also Chair of the **Utility Wildfire Prevention Task Force**, founded to curb PG&E's removal of millions of healthy, mature trees. I was Director of the SLV Redemption/Recycling Centers for 23 years, retiring to better focus on local environmental issues.

KRISTEN, will you be next?...

BRACKIN?....

KEVIN....

We will be sure to provide our individual phone numbers and emails to David, in case you have a question later for anyone in particular.

(Slide 3) ... Now back to the reason we are here,

The health of the San Lorenzo River Watershed has always been a major focus of the Valley Women's Club of San Lorenzo Valley, Inc. The VWC is a 45-years active, 501-c-3, community advocacy and environmental preservation organization. ... It was founded in 1978 by a group of women to empower women's involvement in our community. Nonetheless we always welcomed men as they sought to become involved in shared concerns. We founded the Redwood Mountain Faire, will hold the 37th Annual River & Road Clean Up in September, have sponsored Candidates' Forums since the late 1980's and put on the Environmental Town Hall since the year 2000. Check out our website for further activities and projects.

The Environmental Committee has been dealing with PG&E for over two decades. (Individually we have all been dealing with PG&E since moving here.) In the late 1990's, at our request, 2 PG&E representatives attended our meeting to hear our concerns about some really old, unstable poles, nothing happened. Later, with the support of Supervisor McPherson we got PG&E's cooperation to support an adjustment to our BASELINE rate by the CPUC, reducing rates locally. In 2016 we organized against PG&E scouring all vegetation from over all its pressurized gas pipelines –clearing a 12-foot swath through countryside, back yards, and downtown city streets. Our research demonstrated this would make things worse locally, not better, so the Supervisors required an Environmental Impact Report and PG&E backed off.

In 2017 huge wildfires were caused by utilities throughout the state. After in-depth cost-benefit assessments, Southern California Edison, the second largest Investor Owned Utility (IOU) in California, publicly admitted its wires caused its fires. Within months SCE started to comprehensively replace its antiquated above-ground infrastructure, including expanding its system of modern computerized circuit breakers. The centerpiece of its modernization was, after international research and careful testing, the decision to install

steel-reinforced, triple-insulated wire throughout its system, starting with High Fire Threat Districts.

The result? SCE has successfully reduced its ignition rates as it upgraded 5000 miles within 5 years. In addition, it stopped incorporating removals of healthy, mature trees in its Wildfire Mitigation Plans.

In contrast, in 2018 our County was presented with PG&E's knee-jerk response after having caused its massive, deadly 2017 fires. Its plan? To cut down trees and shut off power. This was the start of Public Safety Power Shutoffs, and of the expanding Enhanced Vegetation Management Plan (EVM) . This massive removal of healthy, mature trees, first focusing along their Right of Way, was soon taking down any tree within strike distance of the wires, ignoring environmental devastation and community protests throughout its forested and rural service areas, and more recently into urban areas ignoring heritage tree ordinances..

Last year PG&E's team of legislation lobbyists, after working behind the scenes to modify SB 396, began to openly speak at Senate meetings in support of this bill that they designed to remove ALL agency oversight of vegetation management and to eliminate any right to prevent trees from being cut down. We defeated the bill with the support of dozens of environmental organizations, especially the Utility Wildfire Prevention Task Force and Indivisible Green Team. We brought a PG&E letter to the attention of the Senate and the public. In this letter written to CalFire, PG&E basically confirmed that it would not adhere to Forest Practice Rules. This undermined the bill, especially when two other organizations we had sought to work with -- the *Rural Counties Representatives of California* (the RCRC) and *CalForest*, the main trade organization for the forestry sector, AKA loggers, came out against the bill. SB 396 went down in defeat.

This year, while researching recent FA's we learned that the tiny town of Weed, California, significantly improved the Vegetation Management section of its FA in 2019. Thus, Pacific Power – an IOU like PG&E – MUST

prioritize trimming over tree removal; it must promote the health of each tree by adhering to ANSI standards – that’s American National Standards Institute, and trimming must be done under the direction of an ISA certified Arborist (that’s International Society of Arboriculture), AND the utility is required to gain the approval of the property owner for tree removals. PG&E wants the opposite. Notwithstanding the CPUC, Weed established local standards for this powerful IOU.

Over time we’ve learned of the power of local government, and that led us here today.

(Slide 4) Kevin will provide insight to the issues PG&E is failing to address... and thus the need to restore local control.

Kevin...(Slides 5, 6 and 7)

Thank you, Kevin...

(Slide 8 LEGAL)

Is the law on our side? We know this is important, and PG&E may well be resistant and has many lawyers to do its bidding. However, there are important arguments in our favor in Common Law, Public Utilities Code, Public Resources Code, and even Sections in CPUC General Order 95 Sections 15 and 31.1, that authorize cities and counties to assert special conditions. The County has already resisted PG&E in the past, as is their right, relating to matters regarding “the health, safety, and convenience of its local residents” – as provided in Articles 2901 and 2902 of the California Public Utilities Code. Other PUC articles support the concept of County control over terms and conditions “in the public interest,” and Article 6291’s language is especially strong. There is even Public Resources Code affirming that the County can specify additional fire safety regulations to meet local fire hazard conditions.

The updated Rationale we are providing presents more details. We are confident that further examination of statutes and case law by our

respected County Council and his skilled staff will provide additional confidence in the County's right to proceed.

(Slide 9 COSTS) There is no doubt that this undertaking will have significant costs associated with it, whether undertaken completely "in house" or contracted outside experts. Judging from the benefits obtained by others, the sooner it is undertaken, the better. **The potential benefits outweigh the costs.** This will not be an easy decision and a careful evaluation of the costs and the timing will be important to future planning.

(Slide 10 Environmental Concerns)

Kristen presents the issues this Commission is focused on...

(Slide 11 photo downed trees). This is but one of thousands of examples of PG&E's illegal logging after the 2020 fire that Kristen referred to. *Imagine the impact of this type of clearing on an unburned, healthy forest as PG&E takes down millions of trees annually.*

(Slide 12) (read them) There are a variety of concerns that the County can address in an updated Franchise Agreement, shown here...

Our outdated existing agreement allows conditions to continue that prevent the County from exercising adequate oversight.

- It's time to take advantage of the opportunity,
- To increase the capacity of the grid,
- To mitigate being in a *High Fire Threat District*,
- And To reduce climate change while assuring equity throughout the County

(Slide 13) Bracken has important information for you too...

(Slide 14 – closing) We have provided highlights demonstrating the need for and possibilities of a new PG&E Franchise Agreement. What are your thoughts and questions?

(Slide 15 briefly as questions begin.... End and hold on 16)