

Congress of the United States
Washington, DC 20515

August 15, 2018

The Honorable Senator Bill Dodd and Assembly Member Chris Holden
Co-Chairs
Wildfire Preparedness and Response Conference Committee
State Capitol
Sacramento, CA 95814

Dear Committee Conferees:

We write you as a coalition of members of Congress who are concerned with the increasingly painful nature of preparing for, fighting, and recovering from wildfires. Many congressional districts in the state have been, or are currently being, ravaged by wildfires, but as the Committee knows, fire danger does not recognize congressional boundaries or political viewpoints. Fire safety remains at the highest priority for us, and we request the Committee's continued assistance to ensure safety and resiliency of the electrical grid infrastructure in the face of wildfires.

California continues to face unprecedented future threats created by extreme temperatures, droughts, and unpredictable weather events, all of which can increase wildfire prevalence and severity. The links between wildfires and utility infrastructure have been on display previously, and recent decisions related to the Wine Country wildfires exemplify how questions of liability and policy implications still need to be addressed by lawmakers. While suppressing immediate fire threats, we encourage the Committee to also pursue policies that safeguard consumers, ratepayers and taxpayers, and support essential grid infrastructure - ensuring the rules are followed and that negligence is never rewarded.

At the federal level, many of us have supported increased funding for fire prevention, better funding models to ensure firefighting does not cannibalize funding for fire prevention, regulatory relief for forest maintenance, support for innovative technologies, and strategic partnerships in order to utilize national defense assets when needed. We appreciate the assistance provided by the state in regulating and modernizing our utility infrastructure and providing funds that help first responders deploy resources in an ever-lengthening wildfire season.

It is time to address matters of economics that are fundamental to consumer access to a safe, reliable, and affordable electric grid. We appreciate Governor Brown's recent proposal and the Committee's ongoing efforts, yet encourage your continued attention on the following:

- Fire Prevention and Preparedness Strategies: Consideration should be given to the possibility of California's public and investor-owned utilities partnering with state and local agencies on updating fire prevention practices, including land and vegetation

management, infrastructure maintenance, and inspections. Additionally, a reasonable process for “deenergizing” systems during extreme weather and requiring utilities to develop more robust wildfire and emergency preparedness plans should be discussed.

- Fair Allocation of Wildfire Risks and Costs: The viability of California’s public and investor-owned utilities is threatened by the assignment of limitless liability in the absence of negligence. The loss of capital investment, lowered credit ratings, and higher borrowing costs may be borne by all Californians. The current construction of inverse condemnation is outdated and must be updated to provide utilities, ratepayers, and insurers greater certainty with respect to rate recovery for non-negligent wildfire-related costs.
- Recovery of Losses for Wildfire Victims: Enabling utilities to request permission from the California Public Utility Commission to issue recovery bonds for the 2017 wildfire costs in excess of insurance coverage could ensure victims receive prompt compensation and preserve the ability of California’s electric utilities to invest in the infrastructure necessary to meet the state’s wildfire mitigation and clean energy plans.

We appreciate the Committee’s attention to these matters and look forward to your response.

Sincerely,



Rep. Scott Peters



Rep. Paul Cook



Rep. Jerry McNerney



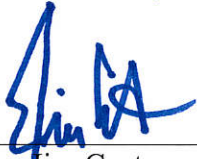
Rep. Ken Calvert



Rep. Tony Cárdenas



Rep. Ed Royce



Rep. Jim Costa



Rep. Tom McClintock



Rep. Raul Ruiz, M.D.



Rep. Jeff Denham



Rep. Mark DeSaulnier



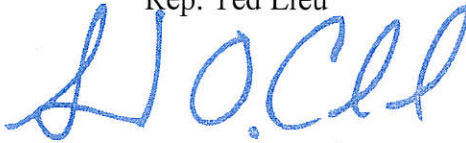
Rep. Pete Aguilar



Rep. Ted Lieu



Rep. David G. Valadao



Rep. Salud O. Carbajal

CC: Governor Jerry Brown