

Little Hoover Commission - Public Hearing on Forest Management

Testimony by:

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Compliance, Quality, and Vegetation Management program.

Good morning Chairman Nava, commissioners, and staff:

My name is Jay Singh, and I am the director of PG&E's Compliance, Quality, and Vegetation Management program.

Thank you for the time and care you are investing in reviewing the tree mortality state of emergency. It is a top priority for all of us at PG&E.

We also commend Governor Brown for convening the Tree Mortality Task Force to coordinate efforts among agencies, local government, utilities, first responders, and other stakeholders.

I would like to provide some overall context regarding what PG&E ordinarily does in a typical year to keep our electric lines clear of vegetation, how this emergency has affected our work, what we are doing in response, and what challenges we continue to face.

Each year, we inspect every portion of PG&E's overhead electric lines, identifying any vegetation that poses potential risk. We then trim or remove trees so they are compliant with state and federal regulations. Let me be clear, though, in saying that vegetation management is – first and foremost – a public safety program focused on preventing fires and power outages.

In a typical year, we will trim or remove, about 1.2 million trees per year under our annual routine tree maintenance program, with about 10 percent of those requiring full removal.

Since the tree mortality crisis began in 2014, we've added extraordinary measures to our annual tree maintenance program.

In 2014, we removed 8,500 trees related to the drought and bark beetles.

In 2015, that number increased to more than 20,000.

And in 2016, that number sky-rocketed to more than 236,000 dead/dying trees removed.

In 2017, we are projecting to remove more than 233,000 dead/dying trees.

With the ever-changing conditions, we continue to adapt and look for efficiencies – and technology is playing a key role. We collect LiDAR and hyperspectral imagery data via airplane in the hardest-hit areas to help send our workers to the precise locations needing work.

As you might imagine, removing several hundred thousand dead trees results in a lot of wood and debris that tree owners are not equipped to manage. In California, the property owner owns the trees on his or her property. Normally, when PG&E has to cut down a dead or dying tree, the property owner retains rights to those parts of the tree that are valuable for lumber or firewood while PG&E chips and removes or scatters the slash (limbs less than 4-inches in diameter) to decompose. However, during this extraordinary emergency, some rural property owners may have many trees on the ground and no place to send them since all the local sawmills are filled to capacity and cannot accept any more logs. In response, PG&E has developed a woody debris management program to clean up rural properties by chipping and removing whole trees in the counties hardest hit by tree mortality. Last year, we hauled more than **51,000** tons of debris from more than 800 locations, with some of this wood being used for biomass energy production.

We can't do any of this alone. First, collaboration is critical. We work with Fire Safe Councils on fuel reduction projects, many of which create strategic fire breaks and improve access for first responders. We also partner with CAL FIRE to educate the public on the impacts of the historic drought, fire season safety, and the bark beetle epidemic.

During fire season, our program funds daily fire detection flights starting in June and ending in October. Our spotters called in 142 fires in 2016, with seven of these as first reports.

Second, our customers cannot bear these costs alone. Specifically, our customer costs were above \$200 million in 2016 and are expecting to rise in 2017. We are expecting the forecasted spend will start trending down as experts foresee a decline in tree mortality over the next 3-5 years. However, these forecasts do not include what cities, counties and homeowners are spending on mitigating the risk as well. Finding diverse sources of funding from the state and the federal government will be important to effectively mitigate the risks. The state has stepped up in many ways through funding sources such as the Greenhouse Gas Reduction Fund, but we can't lose momentum since this is a long term problem.

Looking ahead, our biggest challenge is having enough qualified workers to perform these tree removals safely, and we would welcome the opportunity to collaborate with anyone who could help us, as we have already exhausted the availability of workers from California – and we are finalizing agreements with additional contractors following a national search. We simply cannot keep up with the demand.

We remain committed to protecting California's people, environment, and economy, and we look forward to working with you.

Thank you.