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California Public Utilities Commission
Attn: Wildfire Safety Advisory Board Staff
300 Capital Mall, 5th Floor, Sacramento, CA 95814
Via email to WildfireSafetyAdvisoryBoard@cpuc.ca.gov

RE: Comment Letter – Wildfire Safety Advisory Board Draft Recommendations on the 2022 Wildfire Mitigation Plan Guidelines, Performance Metrics, And Safety Culture Assessment

Dear Wildfire Safety Advisory Board Members:

The Tree Care Industry Association appreciates the opportunity to comment in response to the Wildfire Safety Advisory Board's Draft Recommendations on the 2022 Wildfire Mitigation Plan Guidelines, Performance Metrics, And Safety Culture Assessment dated June 17, 2021. While TCIA members perform vegetation management work for utilities, businesses, and residents in California, our comments here are limited to our relevant work for utilities.

TCIA is a trade association of 2,300 tree care firms and affiliated companies, including over 200 tree services businesses in California. Since 1938, we have been working to elevate the standards of commercial and utility tree care. We provide business as well as individual credentialing programs, continuing education, training, and publications to promote the safe and appropriate tree care practices. TCIA member companies' contract to conduct vegetation management for utilities, businesses, and residents throughout California.

Our members work daily to reduce wildfire risk and we share the commitment of the Wildfire Safety Division and the Wildfire Safety Advisory Board to ensure we collectively mitigate the effects of wildfires in California to the extent possible. Utility Wildfire Mitigation Plans are an important tool in this process. Our specific comments on the recommendations contained in this document are below:

Vegetation Management Recommendations (pages 16-18)

1. The 2022 WMP Guidelines should require the utilities create tree replacement programs that are larger with a broader scope. The Guidelines should require that utilities to hire or contract with ecologists or fire scientists to provide expert consultation.

TCIA members support tree replacement programs.

2. The 2022 WMP Guidelines must prohibit the practice of removing healthy trees following wildfire events without some kind of environmental review by an independent ecologist. Singed and even burned native species or old growth trees may still be healthy, and if they are not prone to eventual failure and do not pose a risk to utility infrastructure, these trees can be valuable assets to their environment.

The primary purpose of tree removal in utility territory is to maintain public safety. TCIA member companies are committed to balancing the need for public safety and wildfire mitigation with maintaining appropriate local vegetation. As contractors to utilities, we may be called upon to assess the health of vegetation following a wildfire. Our companies employ arborists and qualified tree care workers to ensure only necessary vegetation is removed. In recognition of the importance of public safety in the decision to remove trees, we recommend the recommendation be amended to adding a phrase to the last sentence "with the primary focus on managing the risk to public safety and expediting the restoration of electrical service."



3. The 2022 WMP Guidelines should require utilities to improve training programs for vegetation management contractors and increase the auditing and monitoring of vegetation contractors, especially where a utility has multiple notices of violations related to their vegetation management practices.

TCIA is supportive of training programs for vegetation management contractors, and quality controls. TCIA members believe that such training programs and other minimum requirements for contractors in the prebidding process are warranted. We also believe the costs of training, measures of productivity, and additional resource requirements should be accounted for in the contractual requirements for contractors.

Conditions in California are unprecedented and warrant recognition that science and best management practices are rapidly evolving. Utilities are also learning as they go. The scope of work required under recent contracts differ from prior years, and with subjective interpretation between auditors and field directives on the standards that create inconsistencies on creating additional difficulties for contractors to provide the most efficient and effective service. As new information is studied and applied, we would encourage a partnership with the State in facilitating the dialogue between science, research, and the industry to recognize best management practices and to ensure rapid and consistent implementation.

4. The 2022 WMP Guidelines should require the utilities to create a statewide database of vegetation-related utility outages, tree species, traits, growth rates, morphological characteristics, modes of failure, and locations along environmental gradients. The Guidelines must require utilities to refer to plants by their genus and species.

TCIA supports science-based decision making that could be made based on this data collection, however we would highlight the importance of ensuring full transparency in the data and ensuring applicable local variables, such as the local ecosystem, be also accounted for when drawing conclusions from such data. The State of Vermont has a similar database in place.

5. The 2022 WMP Guidelines should require the utilities to do pilot programs and plant low- growing shrubs as Utility Defensible Space under utility right of ways or in other areas near utility lines where the shrubs could replace dry grasses that create a high risk of wildfire.

TCIA has a long history of supporting defensible space measures and we support this recommendation. Utilizing shrubs under utility lines is in line with industry best management practices and could reduce the risk of wildfires.

Safety Culture Assessment Recommendations (page 25)

- 1. In the 2022 Safety Culture Assessments, the WSD should request that contractor managers, in addition to utility managers, complete the self-assessment. Their assessment of the safety culture is critical given that most mitigation work is being completed by contractors.
- 2. In the 2022 Safety Culture Assessments, the WSD should interview a variety of stakeholders including utility managers, contractor managers, utility employees, and contractor workers. This will create a full picture of the safety culture at the utility for the WSD.



TCIA supports these two recommendations. Many of our members employ unionized crews who work hard in utility territory to ensure vegetation around electrical transmission and distribution lines are properly removed or trimmed.

3. In the 2022 Safety Culture Assessments, the WSD should evaluate whether production-based pricing structures leads to more accidents compared to hourly pricing structures.

TCIA supports the recommendation encouraging the Wildfire Safety Division (WSD) to evaluate the safety of certain contracting methods, including a production-based pricing structure. However, we recommend substituting the word "accidents" with "incidents". "Incident rate" is an established technical term that is already defined by Cal OSHA. Incidents are required to be recorded and performance of many employers, including VM contractors is measure against this metric. Using consistent terminology will avoid confusion and align reporting rules among agencies.

Our members have performed work under a variety of contracting structures, including hourly pricing (also known as time and equipment) as well as production-based pricing models such as unit price (per tree) and lump sum contracting. In recent years, some California utilities have changed their contract model from the hourly model to a production-based pricing model. These production-based models do impact the relationship between utility stakeholders, operations, sourcing, safety, and executive management.

While production-based pricing can be successful for both the customer and contractor, it requires stable utility leadership and clear expectations, a scope of work that is clearly defined and consistent, and a work environment that allows the contractor to have autonomy to schedule and manage work in accordance with the scope of work. This structure works best when a qualified contractor is familiar with the territory and therefore able to predict the crews, equipment, and time needed to complete the scope of work. Successful examples of production-based pricing took adequate time to "ramp up" (in some cases, over one year) and lasted for years with little to no change in scope. Stability is key.

Difficulties arise under this model when the scope of work is not clear or when expectations change. TCIA members have faced such difficulties in recent years as some utilities adjust the scope of work, change the number of individuals required to be in a crew, or unexpectedly start and stop contractor work during the contract term due to external factors such as utility lead changes in scope, environmental impact issues, or directives from government agencies. Such variables result in highly unstable and inconsistent program as they try to adjust to changing expectations in an inflexible pricing structure.

Contractors should not be penalized for these variables. While this structure incentivizes efficiency, it also discourages the use of additional crews, additional equipment in the event of unanticipated need, and job training for new workers. This may lead qualified contractors with otherwise stable VM programs are hesitant to make the necessary investments in people, technology and equipment that is required to assure the long-term improvements in safety, quality, meeting of schedule expectations and, most importantly, reduction of wildfire risk.

By contrast, the hourly pricing model promotes stability, predictability, and sustainability. It allows VM contractors the flexibility needed to adjust to changing utility expectations or needs during the contract term. It further offers the opportunity to invest into training, safety, and education of tree care workers for the best possible outcomes. VM contractors urgently need stable working conditions. An additional result of unstable VM programs is skyrocketing insurance costs and business risk, making the risk profile of working in high wildfire risk areas of the state untenable for many VM companies. Hourly pricing models also provide utility



operators with much greater flexibility to adapt to dynamic conditions more quickly without the need for lengthy processes to redefine work scopes and re-bid or renegotiate contracts.

TCIA also encourages the Board to consider recommending prequalification of VM contractors. A prequalification process would encourage safe and efficient VM practices by allowing utilities to review the safety records of contractors prior to receiving a bid.

On behalf of the Tree Care Industry Association members operating in California, we appreciate the opportunity to make comments. If you have any questions, please contact our legislative representative, Erin Evans-Fudem of Lighthouse Public Affairs at (916) 204-6293 or erin@lh-pa.com.

Sincerely,

David White President and CEO

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