CHELAN AREA

Transmission Line Fire Protection

August 20, 2018



Objective of this presentation:

We are not looking for a Board decision today.

The purpose of this presentation is to start the discussion of a potential fire protection transmission project

Project aligns with the District Strategic Plan



Chelan County PUD Strategic Plan 2015 – 2019



Shaping our utility to do the best, for the most, for the longest

Why we are here...

Reinvestment



Our customer-owners were most interested in replacing or rerouting some electric lines to protect against fire and weather risks. Other high-ranking items included partnering with some customers to underground electrical lines, consolidating Chelan PUD's industrial facilities, and creating partnerships or programs to develop the skills of local job applicants. The Board confirms their commitment to reinvesting in the core, value-creating assets of hydro projects, distribution systems, facilities and people as the top priority and will use the *Owner's Guide* (http://www.ourpublicpower.org/guide) feedback to help prioritize reinvestment options. Increased reinvestment projects and programs will be reflected in our

Chelan County PUD Strategic Plan 2015 - 2019



2018-2022 District-wide Business Plan

w) Harden transmission system to protect against fire/weather





2015 Chelan Fire





Operational Experience – 2015 Chelan Fire

- Fire caused an outage of 4 of the 5 substations in Chelan area
- Twelve transmission structures on two different lines
- Significant customer impacts:
 - > Water, gasoline, internet, cell service, refrigeration, commerce, etc.
- 30 hours to repair the first transmission line
- 13 days to repair the second





Fire Risk Assessment (2017)

Completed in 2017 with consulting firm HDR, Inc.

Validated actual experience from the 2015 fire

Extensive damage in Area 2

Area 1: 18 miles of line; 210 structures

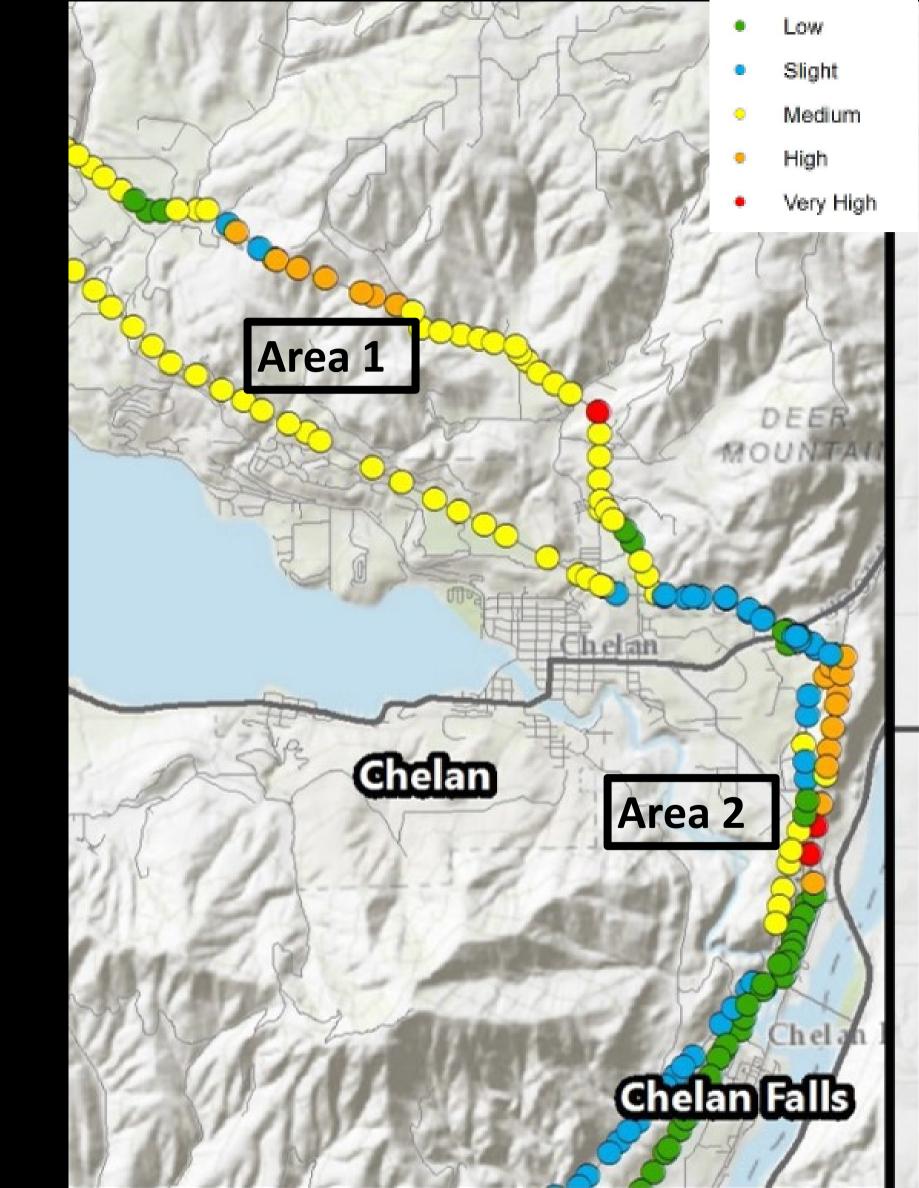
- Geographic diversity (lines farther apart)
- Configurability (able to sectionalize long sections of line for repair with minimal customer impact)

Area 2: 7.5 miles of line; 70 structures

- Two lines are parallel for approximately 3.5 miles
- Both lines burned at the same time in 2015 fire
- Connection to the power source

Proposed Project Focus Area:

Area 2 provides greatest benefit to customer reliability



Benefits of Steel Transmission Lines

- 2014 South Malaga fire, seven wood lines burn, one steel line maintains power to Alcoa
- 2018 fire near Rocky Reach, fire burns through steel line. The line remained in service the entire time

What if one of the Chelan transmission lines would have been constructed in steel?

- The line would have either remained in service the entire time, or
- Would have been de-energized for a short while to allow the fire to pass, then reenergized. Typically a matter of hours

Steel Pole Construction / Aesthetics

- Proposed projects replace wood poles with steel poles
- Same alignment as before
- Some poles may be higher
- Same general look and feel as original

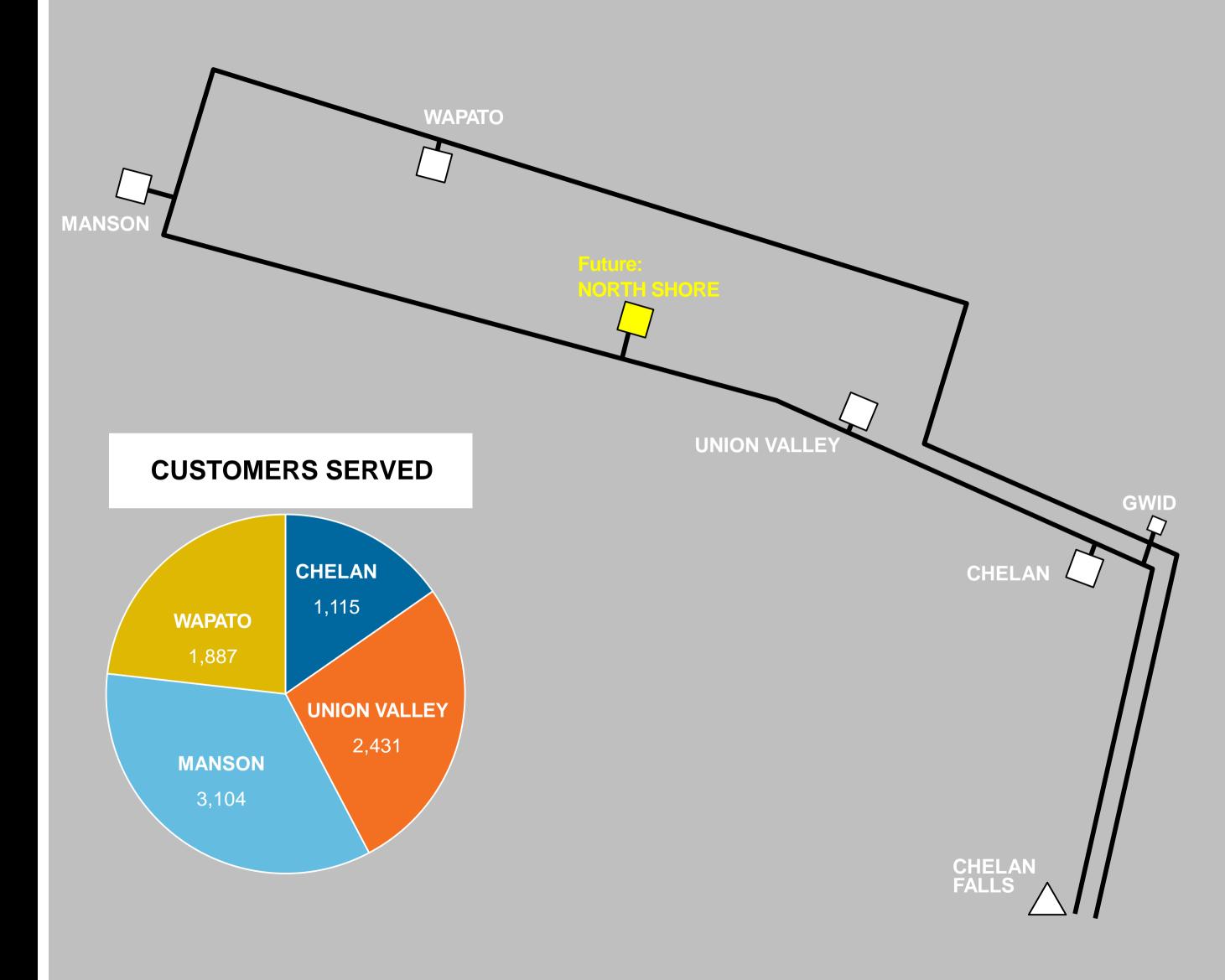




(Center Structure below is steel)

The Chelan Loads

- Fed directly from Chelan Falls
 Switchyard near Chelan Hydro
- Four existing substations
- 8537 customers
- Future North Shore substation
- Large Irrigation Districts



Aproach 1: Rebuild to Union Valley Substation

Direct benefit to 3546 customers (Chelan and Union Valley Substations)

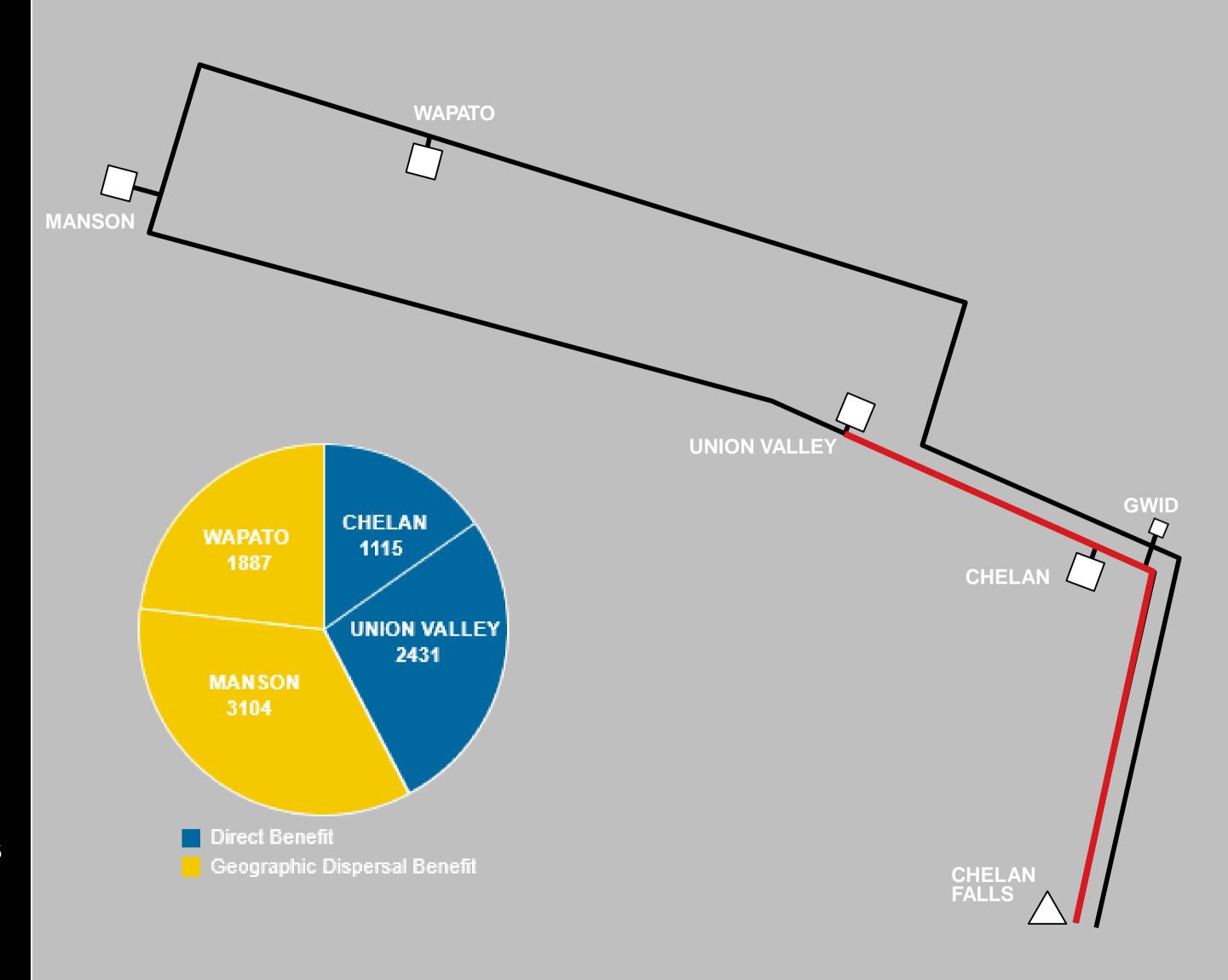
Extended benefit to 4991 customers (Manson & Wapato Substations)

4 miles and 35 structures

Most expensive (\$3 - 4.5 M)

2015 Fire Impacts if Steel

Outage time zero to a few hours



Approach 2: Rebuild to Chelan Substation

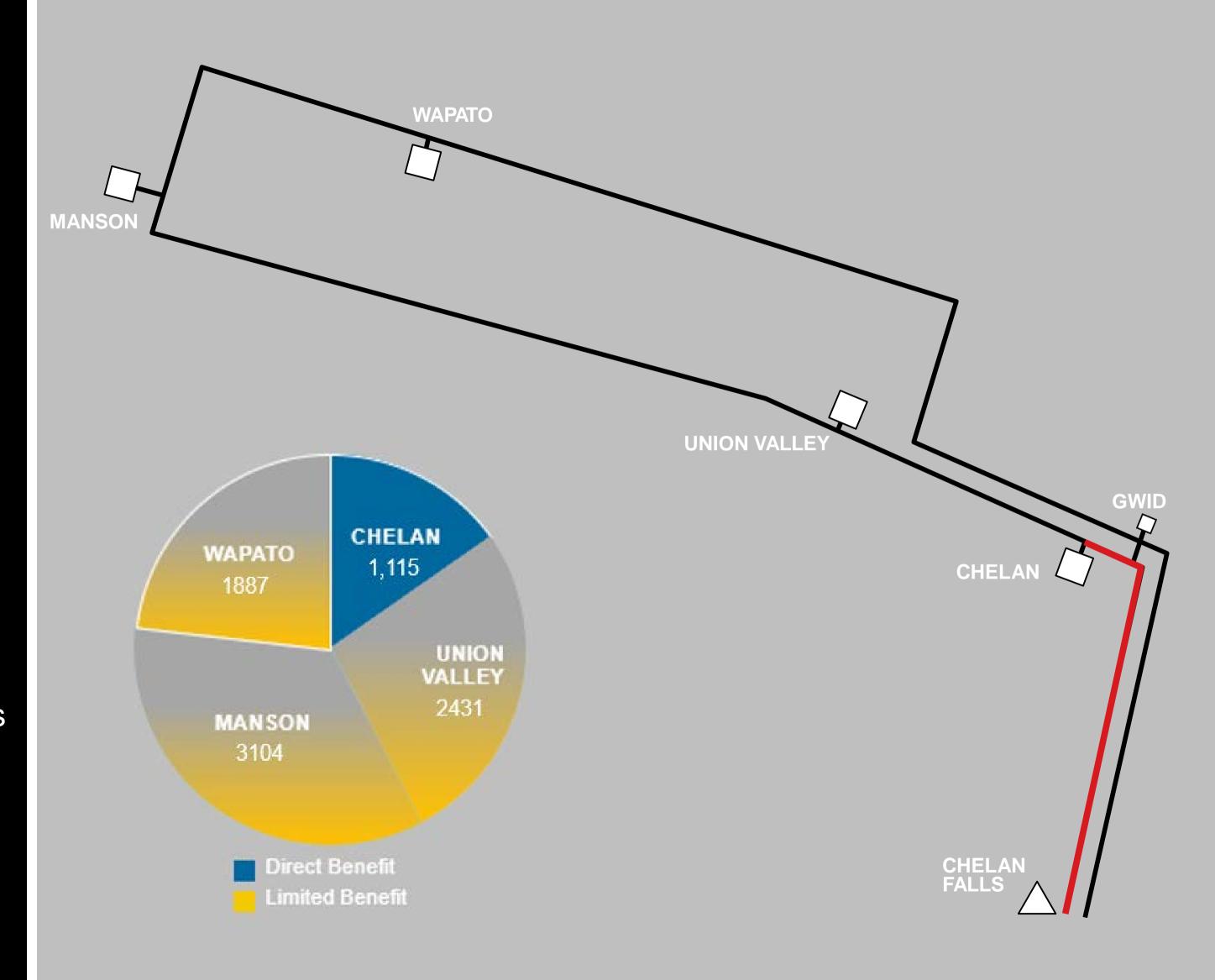
Direct benefit to 1115 customers (Chelan Substation)

2.7 miles and 22 structures

Expensive (\$2 - 3 M)

2015 Fire Impacts if Steel

- Outage time zero to a few hours
- If fire had been in the parallel section not constructed in steel, outage times would increase as structure replacement would be required



Approach 3: Replace only "Critical" Structures with Steel

Direct benefit: None

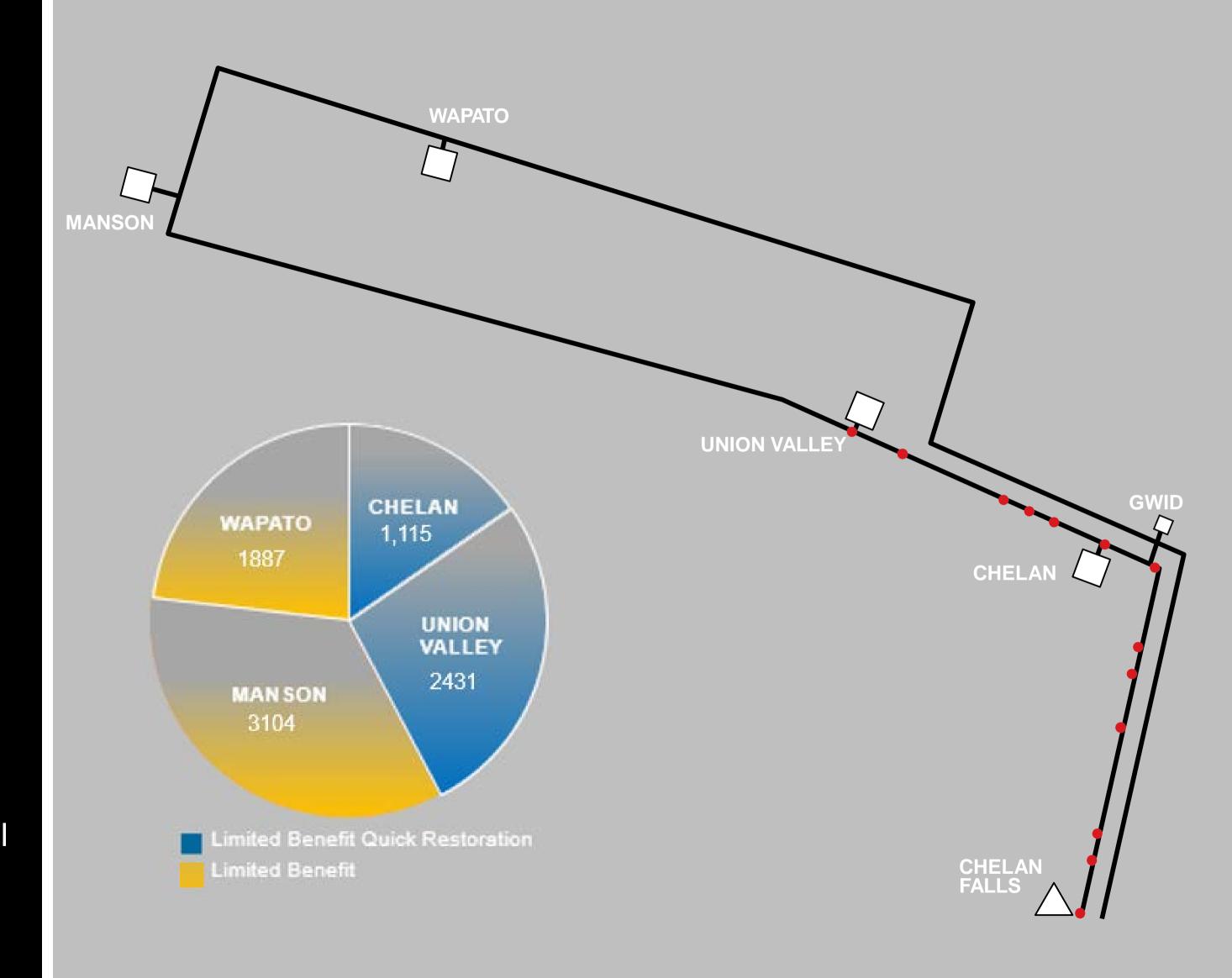
Marginal benefit to 8537 customers (Chelan, Union Valley, Manson and Wapato Substations)

21 structures replaced

Low cost (\$1.7 - 2.9 M)

2015 Fire Impacts if Steel

- Some wood structures may still need replacement
- Outage time 24+ hours



Approach 4: Do Nothing

No project related costs (\$0)

Poles are not at end of life

Wood structures remain

No reliability improvements, both lines remain at existing fire risk



Comparing Approaches

Approach	# of Customers Directly Benefited	Potential Downtime Reduction due to Fires	Project Cost
1	3546	 2 substations served directly from steel transmission Other 2 substations benefit from geographic diversity Outage duration none to several hours for fire safety 	\$3M - \$4.5M
2	1115	 1 substation served directly from steel transmission Reduced geographic diversity benefit Outage duration none to several hours for fire safety 	\$2M - \$3M
3		 No substations served entirely from steel transmission No geographic diversity benefit Significant outage duration, dependent on fire severity. 24+ hours based on 2015 benchmark event 	\$1.7M - \$2.9M
4 (do nothing)	0	No reduction	\$0

Next Steps:

2018

Customer Outreach

Continue infrastructure protection evaluation

Determine if board and community are supportive

