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California Air Resources Board (CARB)
1001 I Street
Sacramento, CA 95814

RE: San Diego Gas & Electric Company Comments on the 2022 Scoping Plan Update Technical Public Workshop on Natural and Working Lands held on July 20, 2021

Dear CARB Staff and Board Members,

San Diego Gas & Electric Company (SDG&E) appreciates the opportunity to comment on CARB's 2022 Scoping Plan Update Technical Public Workshop on Natural and Working Lands (NWL) held on July 20, 2021 (Workshop). SDG&E applauds CARB's efforts to model and set carbon targets for NWL. This work is a necessary first step towards increasing California's carbon sinks. The urgency to do so was made clear by CARB's Natural and Working Lands Greenhouse Gas Inventory, which found California's NWL may now be a net GHG source, losing more carbon than they are sequestering, "with wildfire being the largest cause of carbon loss."

That conclusion is particularly salient to SDG&E. Approximately 64% of our service area is in "High Fire Threat Districts" (HFTD),[1] which consists of areas "where there is an elevated risk for destructive utility associated wildfires," and those "where there is an extreme risk for destructive utility associated wildfires."[2] Many of these areas and our facilities are also located in lands that comprise California's NWL. Additionally, our territory has the highest diversity of plant and animal life in the United States. Because of this rich biological area, in 1995, SDG&E entered into a National Community Conservation Plan (NCCP) and Habitat Conservation Plan (HCP) with state and federal wildlife agencies expressly to preserve the biological and physical resources comprising sensitive habitats in our service area to the greatest extent possible and afford all species within our service area greater protections than before. For the past 25 years, SDG&E has operated under this plan to ensure the preservation and enhancement of San Diego's natural resources as well as avoid, minimize, and mitigate for biological impacts of SDG&E's activities to maintain, repair, and expand our electric and gas systems. Accordingly, we not only have long term conservation plans in place to protect our lands, we have a continued strong interest in

[1] RAMP at 1-3.
[2] *Id.*

working with the State on the effective and sustainable use, management, and protection of these lands.

In October 2020, we released "*Building a Better Future: Our Commitment to Sustainability*," a sustainability strategy highlighting our wildfire mitigation programs and detailing our climate change-conscious goals in environmental stewardship, clean transportation, grid modernization, community engagement, and company operations. Earlier this year, we announced a climate pledge of reaching net zero GHG emissions—not only SDG&E's direct emissions, but also those generated by our customers' consumption of energy—by 2045.

We are committed to advancing the wildfire mitigation, climate and sustainability goals of the State, the region, and our customers. To that end, we offer input on specific questions raised in the Workshop, based on our observations and stakeholder engagement related to advancing sustainability in our region.

1. **Are there any other efforts that have gathered regional/local perspectives on nature-based climate solution planning/goal setting?**

Earlier this year, the United States Department of Agriculture (USDA) solicited public comment on its *Notice of Request for Public Comment on the Executive Order on Tackling the Climate Crisis at Home and Abroad*,[3] which seeks information to inform USDA's implementation of Executive Order 14,008 "Tackling the Climate Crisis at Home and Abroad."[4] SDG&E's comments can be found here.

We have also gathered regional and local perspectives on nature-based climate solution planning as part of our goal to ultimately achieve net-zero goals across all scopes by 2045. Informed by local and regional stakeholder engagement, especially our Community Advisory Council, we have initiated a wide range of strategies to lower carbon emissions and protect ecosystems throughout our service area – from tree planting to undergrounding power lines to virtual power plants. More information on SDG&E's sustainability efforts can be found here: Sustainability Strategy and Net Zero Announcement.

Additionally, as mentioned above, for more than two decades, SDG&E has been a permitee under an NCCP/HCP. This plan has improved efficiency, decreased regulatory burdens, and allowed SDG&E to promptly undertake vital fire-safety activities without undue delay. It has also protected, conserved, and enhanced the unique qualities that make San Diego so desirable. The NCCP/HCP identifies and provides for the regional or area-wide protection of plants, animals, and their habitats, while allowing compatible land use and economic activity. At bottom, it helps conserve natural communities and takes a regional, ecosystem approach. While the plan allows for up to 400 acres of impacts in natural areas, the most important conservation strategy under the plan is avoiding impacts wherever possible. SDG&E is currently working with the California Department of Fish and Wildlife to amend the plan to continue, improve upon this successful conservation strategy, while also refining our conservation commitments and operational protocols for working in the field, and allow our critical fire-safety work to proceed without interruption.

[3] 86 *Fed. Reg.* 14,403 (Mar. 16, 2021).
[4] 86 *Fed. Reg.* 7,619 (Feb. 1, 2021).

2. Is it clear what we need for policy objectives (put in terms of actions/acre/year)?

We agree that articulating objectives in terms of "actions/acre/year" is an important way of standardizing NWL efforts. Policy objectives for each of California's varying regions could be different, however, and require a more nuanced approach than an overall statewide goal of actions/acre/year. Each region and ecosystem within California has its own hydrological, geological, and social nuances and impacts. In deriving policy objectives, CARB should acknowledge that geographical and ecological diversity, mapped communities of concern, and tribal lands vary significantly throughout the state.

3. What are we missing?

The Workshop was unclear how CARB envisions adding field-research based inputs to the geo-spatial mapping to inform its policy objectives and modeling efforts. While it is important to have quality and transparent models, models and reality may differ, which is especially true as climate change alters NWL. This concern is highlighted by CARB's proposed use of 2014 as its "Baseline;" current conditions have change dramatically in recent years.

The importance of coastal environments (kelp, sea grass, ocean itself) cannot be overlooked. While CARB noted that data were unavailable, with several other policy priorities (housing, renewable energy, infrastructure) leveraging for California's limited land resources, it is essential that we understand, use (and protect) every carbon sink available to the state.[5]

We would also like to understand key inputs and variables, and the outputs CARB is solving for in the context of California's NWL, especially as an integrated approach to addressing water scarcity, fire risk, food security, ecological and socio-economic development needs of vulnerable populations, all within the different hot spots and micro-climates that abound in California.

Lastly, CARB should explain how NWL policy objectives fit within the overall state strategy for reaching sector-wide carbon neutrality. A clear understanding of investment requirements, funding mechanisms, prioritized mitigation and adaptation pathways will help ensure that carbon neutrality goals are timely met.

4. What do you especially like in any part of our process?

SDG&E commends CARB's holistic and scientific approach to understanding the important role NWL plays in clean energy and climate policies in California. We further appreciate its recognition that while we cannot fully control these systems, by better understanding and managing them, we can achieve greater harmony within ecosystems.

In addition, SDG&E is pleased that CARB invited robust stakeholder engagement by including verbal and written stakeholder comments and committing to transparency at the Workshop. We

[5] What is Carbon Sequestration and How Does it Work? | CLEAR Center (ucdavis.edu): Oceans around the world sequester 25 percent of carbon emitted by human activities.

also support CARB's upcoming integration of stakeholder feedback into the NWL modeling effort and in the eventual Scoping Plan NWL targets. SDG&E encourages CARB to continue this transparent and collaborative effort throughout all aspects of the Scoping Plan Update process. CARB should ensure that all Scoping Plan modeling efforts are shared with stakeholders early in the process to provide opportunities for stakeholder feedback to inform model development.

5. **What are some policy objectives you would like to see in a scenario (in terms of actions on the ground)?**

SDG&E recognizes that wildfire risk has increased throughout California over recent years and poses the greatest risk to our accomplishing our sustainability and carbon mitigation goals. As CARB noted, it also poses a great risk to California's carbon stock. To that end, SDG&E focuses significant resources toward maintaining its electric distribution and transmission line system to prevent wildfire.[6]

Our efforts include maintaining and expanding the largest private weather station system in the country; installing more than 100 high-definition cameras to improve fire detection; implementing fuel management programs; performing system hardening; and implementing Public Power Safety Shutoffs (PSPS) events as a last resort. Policy objectives should be aligned with similar efforts. To that end, we would like to see policy objectives that maximize the total acreage of wildfire fuel and maximize vegetation management activities that proactively address hazards within and adjacent to utility rights-of-way (ROW) that pose wildfire risks.

Potential mechanism pathways to that objective could include (i) streamlined review and approvals; (ii) revised regulations to exempt certain activities from overly long and burdensome review; and (iii) guidance to minimize case-by-case approvals for required operation and maintenance (O&M) and vegetation management around infrastructure located on NWL, and non-routine or emergency O&M and vegetation management activities that are necessary to address wildfire risks. It could also include incentives like funding utilities' timely and appropriate vegetation management and O&M within and adjacent to their ROWs and pilot projects, reimbursing utilities for projects that meet certain conditions, and not imposing mitigation for vegetation and fuel management work that reduces fire risk.

Climate hazards such as sea level rise and increased extreme weather are expected to place additional pressure on our infrastructure and communities.[7] In response to these increasing risks, additional investments in grid-hardening should be facilitated to protect life, property, and NWL. Policy objectives should help empower SDG&E, along with other utilities, to invest in California's NWL to increase carbon sinks through urban tree planting, ecosystem restoration, wildfire mitigation, "green" infrastructure, and wetland revitalization.

6. **Are there specific actions that you would like to see incorporated into a management strategy that will be modeled?**

[6] *See id*. at 1-8.
[7] BEFORE THE PUBLIC UTILITIES COMMISSION (sdge.com) (pg. SDG&E-CFF-2-2)

We support actions that reduce fire risk to infrastructure, including the removal of non-native vegetation and thinning of native vegetation. For example, SDG&E has implemented a pilot program to conduct fuel management activities inside and adjacent to our ROWs. Our pilot program included an ecology-based approach that benefits the overall ecological value of the surrounding vegetation communities while removing dead/down woody vegetation that provides fuel for wildfire. Any thinning of select native vegetation, if needed, focuses on preserving habitat value and native species diversity. We would like to see such actions incorporated into future management strategies.

7. **What are some mechanism pathways that you would like to see considered, and how do you think those mechanisms will affect management? (If you recommend a mechanism, we will ask a follow up about how you anticipate that affecting specific on-the-ground action).**

The Workshop defined "mechanism pathways" as a "portfolio of levers that California can use to elicit the desired changes in management strategies (legislation, incentives, regulation, etc)." Potential pathways could include:

- Legislation, regulation, or incentives supporting viable, verified offsets as a funding source for NWL management. Annually managing 500,000 acres of NWL as mandated by Executive Order B-52-18 will require coordination, a willingness from private landowners to perform that management, a shift in California's workforce, and revenue. Revenues from NWL-related offsets can provide needed incentive for private landowners to manage their land and optimize their sequestration. Purchasers of offsets should be afforded the ability to utilize a limited number of offsets for compliance with Carbon Neutrality provided the offsets are from a standardized and quantifiable CARB-approved protocol. Including offsets as an option can aid California's ability to fund and realize NWL management and can also help hard-to-decarbonize sectors' ability to meet GHG targets.

- Legislation geared specifically to facilitating wildfire safety innovation, which could include and incentivize an entire suite of activities and provide a broadened definition of emergency activities for which there would be limited permitting, environmental, and judicial review. Activities included therein could be statutorily exempt from the California Environmental Quality Act (CEQA) under prescribed circumstances.

- Legislation creating a statutory exemption to CEQA for prescribed wildfire activities (not unlike exemptions given for the Olympics and specific prisons).

- Legislation amending CEQA's exemption of activities necessary to prevent or mitigate an emergency (Pub Res C 21080(b)(3)) to expressly include certain prescribed wildfire safety activities.

- Legislation directing the Secretary of the Natural Resources Agency to certify a state regulatory program for prescribed wildfire activities/projects and making that decision not subject to judicial review.

- Adoption by the Secretary of the Natural Resources Agency of a categorical exemption to CEQA for prescribed wildfire activities/projects.

In addition, a material portion of California's NWL and SDG&E's service area is on federal lands, including the National Forest System. Accordingly, we frequently coordinate with federal agencies, including the U.S. Forest Service (Forest Service), a USDA agency, on vegetation management and wildfire mitigation. In fact, SDG&E worked closely with the Forest Service for more than a decade to successfully complete fire-hardening work and wood-to-steel pole replacements on the Cleveland National Forest (CNF), the only National Forest on which we have facilities.[8] Given that most of California's NWL is federally owned, CARB should coordinate with federal agencies to advance climate-smart practices.

In summary, SDG&E supports CARB's NWL target setting process and encourages CARB to continue to catalyze collective, cross-sectoral action and input to develop a common scientific understanding of the issues posed by our NWL trending towards net carbon sources instead of sinks. As CARB has recognized, wildfires are a primary risk to NWL and California's carbon stock. We appreciate the open source NWL modeling effort and transparent stakeholder engagement process that CARB has embarked upon. These workshops, stakeholder engagement, and input solicitation, will help define a reasonable set of NWL targets that will help California achieve its sector-wide carbon neutrality goals and greater overall resilience.

Sincerely,

/s/ Brittany A. Syz

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[8] SDG&E's lines on the CNF are maintained pursuant to a Master Special Use Permit approved by the Forest Service in 2016, which consolidated 70 individual permits and easements.