1 2 3	Montana Public Service Commissior Docket No. 2024.05.053 Electric and Natural Gas Rate Review			
4				
5	DIRECT	TESTIMONY OF		
6	BRANDI I	HELLWINKEL		
7	ON BEHALF OF NO	ORTHWESTERN ENERGY		
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1		<u>Witness Information</u>
2	Q.	Please identify yourself, your employer, and your job title.
3	A.	My name is Brandi L. Hellwinkel. I am NorthWestern Corporation d/b/a
4		NorthWestern Energy's ("NorthWestern") Manager of System Assets.
5		
6	Q.	Please provide a description of your relevant employment experience
7		and other professional qualifications.
8	A.	I have 14 years of experience working for NorthWestern in various
9		engineering and management roles of increasing responsibility within some
10		aspect of Asset Management for transmission and distribution, natural gas
11		and electric systems.
12		
13		I also hold a Bachelor of Science in Civil Engineering from Montana State
14		University and am a licensed Professional Engineer in the state of Montana.
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16		Purpose of Testimony
17	Q.	What is the purpose of your testimony in this proceeding?
18	A.	The purpose of my testimony is to present and describe NorthWestern's
19		Wildfire Mitigation Plan ("WMP"). I also discuss the estimated costs of the
20		WMP.
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Wildfire Mitigation Plan

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NorthWestern's WMP is a comprehensive document to describe the potential wildfire risk that NorthWestern is facing and the planned wildfire mitigation efforts. Mitigation efforts include both established programs and practices, as well as the enhanced components that were identified in the 2022 Enhanced Wildfire Mitigation Plan ("EWMP"). In addition to those established and enhanced activities, the WMP also discusses the operational and communication philosophies around wildfire mitigation.

Α.

The objectives of the WMP are: to reduce ignition potential, improve system and environmental monitoring, enhance vegetation maintenance, and enrich public communication and outreach. To meet these objectives, the WMP is broken into five categories:

1. **Situational Awareness** is the grouping of activities that formalizes the monitoring of our system through a dedicated team of resources and the implementation of tools and technology. This includes a dynamic risk model with consequence modeling to help drive decision making based on current and forecasted wildfire risk. In addition to the model, NorthWestern is also exploring other technologies such as remote system visibility via smoke detection cameras and improved weather

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information through a hybrid approach of third-party data and a network of strategically placed weather stations.

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2. **Operational Practices** encompasses monitoring of the transmission and distribution systems, informed decision making for system operational defense strategies, and necessary adjustments to work practices as environmental conditions change. The main components within this category are the investigation and corrective action of momentary operations of the transmission and distribution systems, as well as a standardized approach for adapting operational and work practices across our system informed by real-time awareness of highrisk areas. Depending on model forecasts and local knowledge, operational defense strategies may include actions such as modifying system protective settings to eliminate reclosing and/or increased operating speeds all the way up to initiating a Public Safety Power Shutoff, known as a PSPS, in the most extreme cases. A PSPS is defined as the practice of proactively de-energizing electric equipment during times of extreme weather in localized areas to reduce the probability of electric infrastructure causing a wildfire ignition. NorthWestern may also use this information in active high fire risk zones to adjust work practices such as tool choice, vehicle access routes, or the potential stoppage of proactive work.

1 3. System Preparedness is a category that groups the construction and 2 maintenance activities NorthWestern employees perform that directly mitigate wildfire risk or have the ancillary benefit of so doing. Activities 3 range from enhanced proactive maintenance to targeted grid 4 5 hardening and the deployment of advanced technologies on the 6 transmission and distribution systems, all with the intent of reducing 7 ignition potential. The system preparedness portion of the WMP is the largest component in terms of work, resources required, and estimated 8 9 time of completion.

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- 4. Vegetation Management is an expansion of the current programs NorthWestern has historically deployed. The vegetation management scope strengthens the existing programs at NorthWestern while also increasing situational awareness with a focus on risk mitigation of vegetation-related faults. Strategies within this section of the WMP include, but are not limited to, expansion of proactive maintenance that is technology and data driven to target high wildfire risk zones, enhanced ground and aerial assessments, and fuels mitigation along right-of-ways.
- Communication and Outreach is targeted at improving customer communication and increasing collaboration with external stakeholders. Ensuring the safety of customers and the public is of

utmost importance to NorthWestern. The strategy to achieve this includes informing the public on NorthWestern's efforts to mitigate wildfire risk, proactively communicating as event conditions change (potentially causing interruption to electric service), and the outreach after an event has occurred to keep the public apprised of the situation.

Α.

Q. What is the difference between enhanced and established activities within the WMP?

NorthWestern has demonstrated a long history of commitment to safe and reliable service to its customers and communities through investments and operational philosophies. While previous efforts have not focused specifically on wildfire mitigation, effective management of the transmission and distribution assets provided a foundational core to reduce wildfire risk.

The intention of the WMP is to describe how NorthWestern is addressing wildfire risk. Several of the historical programs have direct or ancillary benefits to mitigating utility-caused wildfire. NorthWestern refers to these activities in the WMP as "established activities" as they have been historical practices that will continue into the future.

As described in the WMP, NorthWestern recognized that it needed to include new and/or enhance existing programs and philosophies that are specifically focused on wildfire mitigation. NorthWestern refers to these activities in the WMP as "enhanced activities" to recognize the additional effort NorthWestern is putting forth to address the growing concern of wildfire risk. While the EWMP primarily focused on the enhanced activities, the WMP focuses on both the established and enhanced activities to provide a more comprehensive plan on wildfire mitigation.

Α.

Q. How do the activities outlined in the WMP differ from the EWMP?

The enhanced activities from the EWMP have been carried over into the WMP and are intentionally separated from established activities for tracking purposes. In general, the enhanced activities remain the same; however, as NorthWestern and the utility industry advance in wildfire mitigation maturity, there are minor scope changes to some activities that are reflected in the WMP. Details on the changes between the EWMP and the WMP are summarized below. Costing details can be found in Appendix D and E of the WMP, which is attached to my testimony as Exhibit BLH-1.

1. Situational Awareness

a. The Internal Server/Dashboard and Wildfire Modeling from the EWMP is now referred to as the Dynamic Risk Dashboard and Consequence Modeling to align with industry terminology. The intent of the mitigation strategies remains the same as laid out in the EWMP, but the scope has been refined to reflect progress made over the past year. The internally-built dynamic dashboard is using ESRI GIS technology,

1 system asset information, and a third-party environmental 2 consequence model overlaid with the U.S. Forest Service Severe Fire Danger Index to determine forecasted wildfire risk zones. 3 b. A new strategy called System Monitoring was added to increase 4 5 situational awareness by deploying field smoke detection cameras. 6 c. Weather Stations are now referred to as Weather Monitoring. In the 7 EWMP, it was scoped for installation of internal weather stations. We are now exploring a hybrid approach to leverage third-party available 8 9 data in conjunction with internally-owned or contracted weather 10 stations to supplement our data as needed. 11 12 2. Operational Practices 13 14

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- a. System Operational Defense Strategies were added to the WMP. This includes:
 - i. Enhanced Powerline Safety Settings, which is a modification of protective settings to allow for dynamic response to changing conditions. There are no significant associated costs with this activity; it is an operational philosophy. The costs will be absorbed through normal operational activities.
 - ii. The PSPS plan is a new component in the WMP. Costs associated with this activity are for a third-party consultant to help NorthWestern develop an effective PSPS plan and are projected to be incurred in 2024.

 b. Standard Operating Procedures were also added to this section of the WMP to describe the operational philosophy of adjusting work practices in changing conditions to reduce the potential of an ignition.
 There are no significant costs are associated with this activity.

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3. System Preparedness

a. No new enhanced activities were added to this section. The only changes were within the detailed scope of certain enhanced activities. These include:

- i. Distribution Ground Assessments were originally scoped in the EWMP as 100% of the distribution system would be annually assessed. This scope is further refined in the WMP as 50% of the distribution system would be patrolled per the established practice to capture and prioritize exceptions that could impact public safety, reliability, and wildfire mitigation. The remaining 50% will be assessed through a wildfire mitigation lens focused on specific components and conditions. The net of these two efforts is still 100% of the distribution system annually.
- ii. Aerial and Ground Exception Repairs were described in the EWMP to be completed within the calendar year once the exception was captured through the assessment or patrol. This has been modified to be repaired within 12 months from discovery of the exception where plausible to allow for data

1	processing, work planning, and potential line clearance
2	constraints.
3	iii. Substation Equipment Upgrades have been expanded to
4	potentially include downstream line equipment in the future to
5	maximize risk mitigation through technology on the electric
6	distribution systems.
7	iv. The Wildfire Mitigation Hardening Program was originally called
8	Section Reliability in the EWMP and was to be focused on
9	electric transmission. In 2023, the static risk model on
10	NorthWestern's infrastructure was completed. The model drove
11	a scope change to this strategy to include both distribution and
12	transmission as a targeted infrastructure hardening program
13	that is an enhanced version of the established Forest
14	Management program. The enhancement would be to include
15	infrastructure inside and outside of forested areas that are
16	targeted and prioritized based on static model outputs.
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18	4. Vegetation Management
19	a. No significant changes to these activities.
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21	5. Communication and Outreach
22	a. No significant changes to these activities.

b. The establishment of a PSPS plan included the development of a PSPS Stakeholder Readiness plan to describe efforts around external stakeholder engagement with the PSPS.

Α.

Q. What is the reason for this difference between the two plans?

NorthWestern developed the EWMP in 2022. Since then, both NorthWestern and the utility industry at large have made considerable headway in refining best practices for mitigating wildfires, with particular emphasis on the various components within a comprehensive wildfire mitigation plan. This has established a heightened standard of expectations among external stakeholders. In response to this and the advancements achieved by NorthWestern in 2023 in this area, NorthWestern developed the WMP in 2024.

- The objectives of the 2024 WMP are:
- Provide a more comprehensive view on NorthWestern wildfire mitigation
 efforts while still maintaining the enhanced components for MPSC tracking
 to meet all external stakeholder expectations. The WMP describes the
 established activities, enhanced activities, and operational and
 communication philosophies.
- 2. Align to Edison Electric Institute (EEI) and utility industry standard of care for wildfire mitigation.

1 3. Update and expand in the areas where NorthWestern has made 2 significant progress over the past year, specifically: a. Expanded discussion on risk modeling; 3 b. Updates on 2023 activities; 4 5 c. Inclusion of both established and enhanced activities: 6 d. Developments within Operational Practices- System Operational 7 Defense Strategies and Work Practices; and e. PSPS Implementation Plan. 8 9 10 It is expected that the wildfire mitigation space will continue to evolve within 11 the utility industry and NorthWestern will adjust the WMP accordingly. Given 12 this, the WMP will be updated and revised on a regular basis. The Direct 13 Testimony of Jason C. Merkel discusses how NorthWestern will update the 14 Commission on any updates and/or revisions to the WMP. 15 16 Wildfire Mitigation Plan Costs What are the costs associated with the WMP? 17 Q. 18 Estimates of the total five-year costs for each of the categories are Α. 19 summarized in the table below and broken into established and enhanced 20 activities. The estimated costs for the enhanced activities were developed in 21 the EWMP. Previous year actual and future forecast costing is updated on an 22 annual basis for enhanced activities. Several of the established efforts are

covered under normal operational budgets and are not reflected below. The

details can be found in Exhibit BLH-1, Appendix D for enhanced and Appendix E for established.

Five years is the expected timeline for completion of the majority of the WMP activities; however, some activities will have on-going costs into perpetuity. As the WMP is implemented each year, NorthWestern will continually re-evaluate and revise these activities to understand their impact and effectiveness.

Plan Category	Summary	Ignition Reduction	System & Environmental Monitoring	Enhanced Vegetation Maintenance	Public Communication	% Category Improvement vs. Historical	5 Year Estimated Established Cost	5 Year Estimated Enhanced Cost
Situational Awareness	Real time monitoring of high risk areas to adjust operational practices.	✓	✓		✓	97%	-	\$8.8M
Operational Practices	Monitoring of system operations and deployed strategies around how the system operates in high fire risk conditions.	✓	✓		✓	53%	-	\$1.9M
System Preparedness	Hardening of T&D systems through increased assessments and capital improvements. Deploy technology to manage operational risks.	√	✓	√		44%	\$175.6M	\$227.6M
Vegetation Management	Enhanced proactive vegetation management reducing vegetation ignition potential.	✓		✓		65%	\$49.7M	\$47.7M
Communication & Outreach	Improve customer communication and collaboration with external stakeholders.				✓	100%		\$2.1M

Α.

Conclusion

Q. Please summarize your testimony.

NorthWestern's WMP is a comprehensive document to describe both established and enhanced wildfire mitigation activities, as well as operational and communication philosophies such as PSPS. The purpose of the WMP is to explain the potential wildfire risks that NorthWestern is facing in Montana and to lay out our comprehensive plan to address these risks, which includes

1		the enhanced activities from the EWMP in addition to a more detailed
2		discussion on historically-established activities.
3		
4		There has not been significant changes to the enhanced activities listed in the
5		EWMP. As NorthWestern learns more, we will continue to adjust scope of
6		those activities to ensure the strategies are a cost-effective solution to wildfire
7		mitigation.
8		
9	Q.	Does this conclude your direct testimony?
10	A.	Yes, it does.
11		
12		<u>Verification</u>

This Direct Testimony of Brandi L. Hellwinkel is true and accurate to the best of my knowledge, information, and belief.

/s/Brandi L. Hellwinkel Brandi L. Hellwinkel