



TRI-STATE



**BASIN ELECTRIC
POWER COOPERATIVE**
A Touchstone Energy® Cooperative



GTAFA Wildfire Discussion

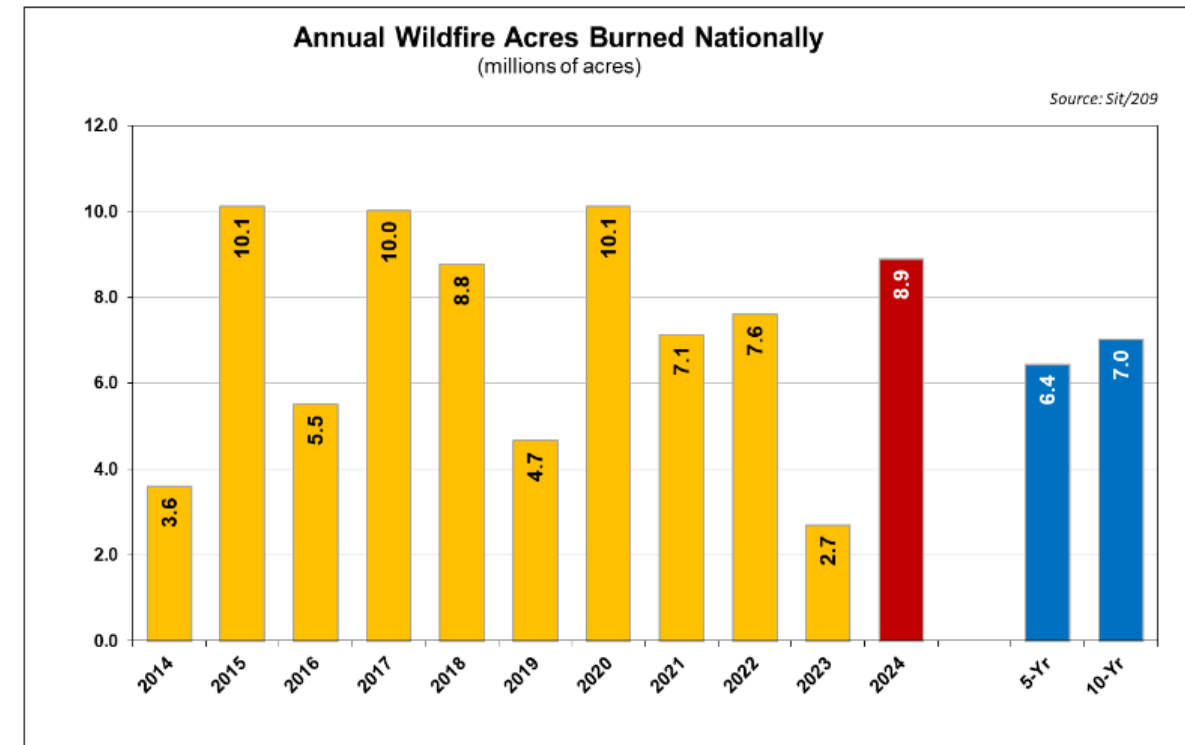
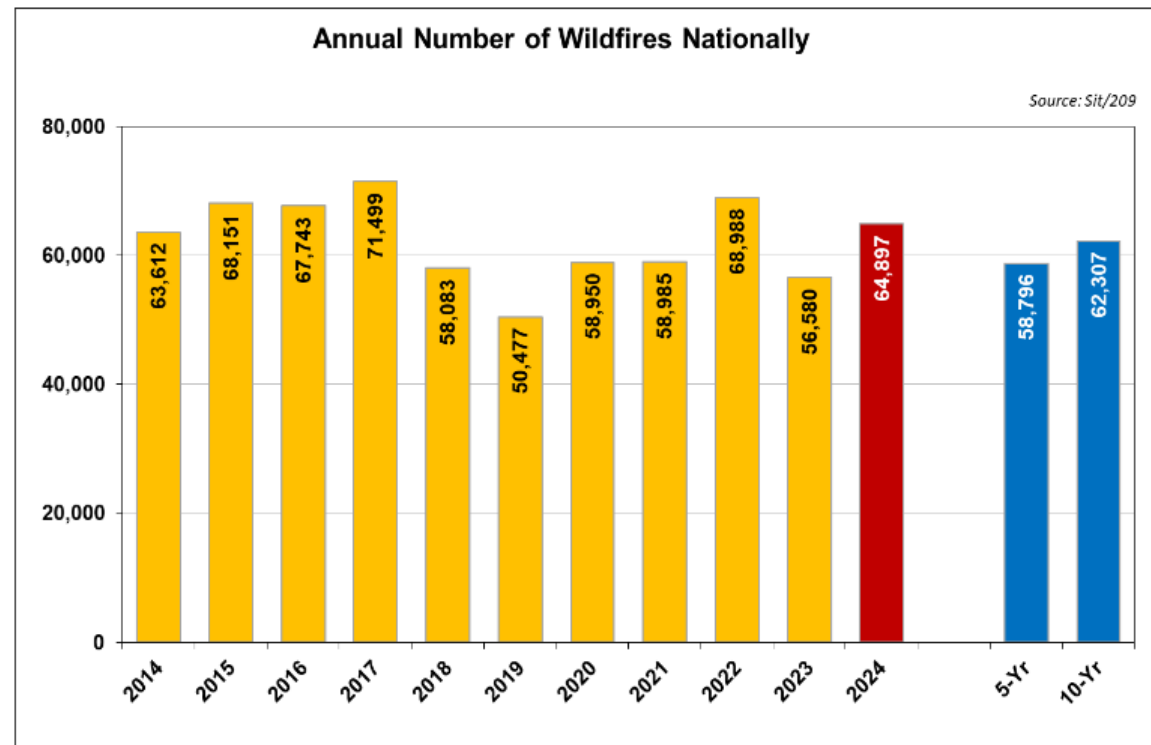
June 2025

Overview



US Wildfire Statistics

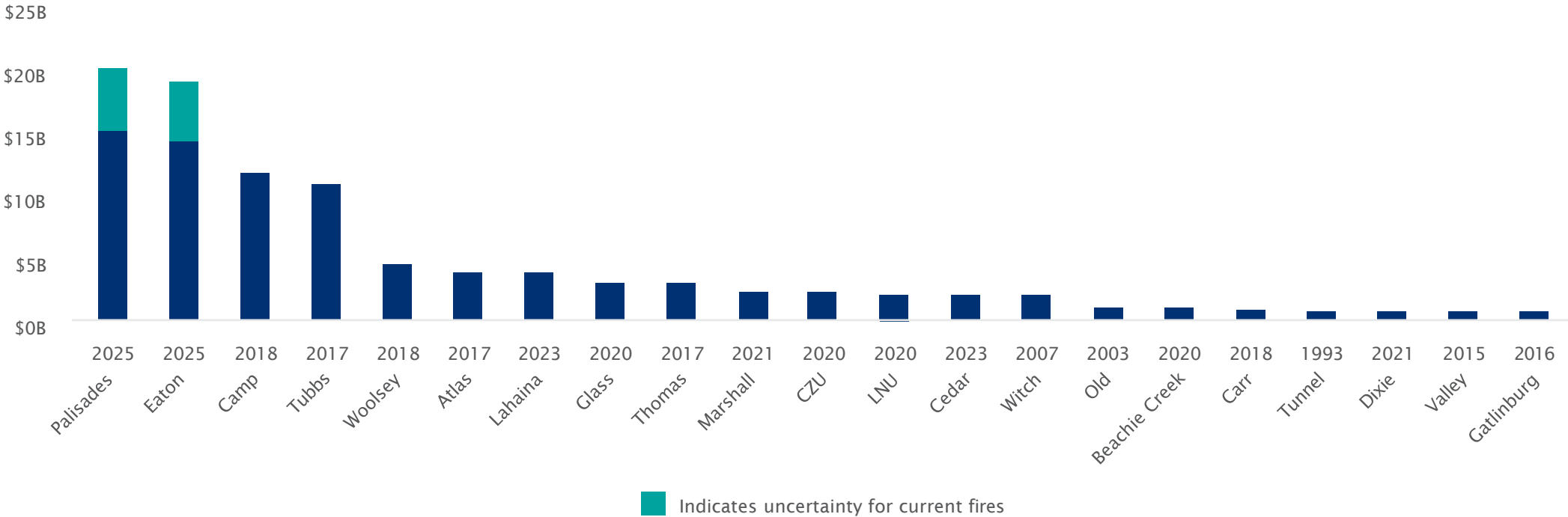
In 2024, the total number of fires and acres burned were both above the five and 10-year averages.



Source: National Interagency Coordination Center, Wildland Fire Summary and Statistics, Annual Report 2024

All US Wildfires Excess of \$1B in Insured Losses

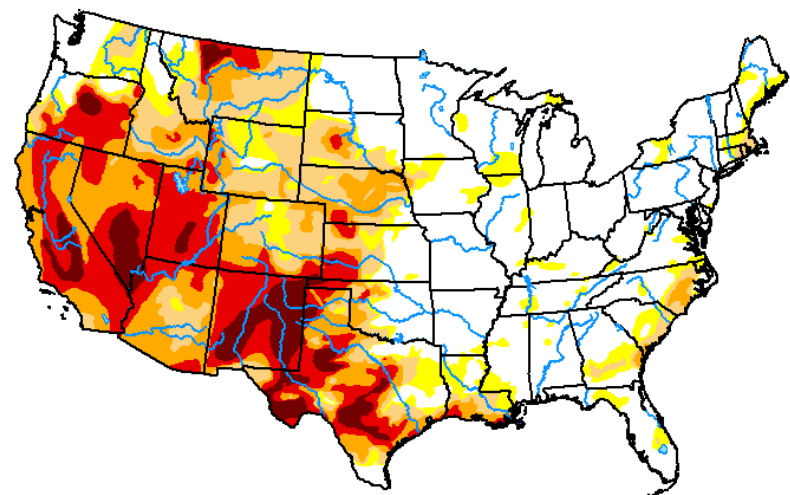
Comparing Palisades and Eaton Fires vs. Top 20 United States Natural Catastrophe Losses 1992-2024; *Reported in USD billions, inclusive of NFIP, adjusted for est. per capita income growth and population



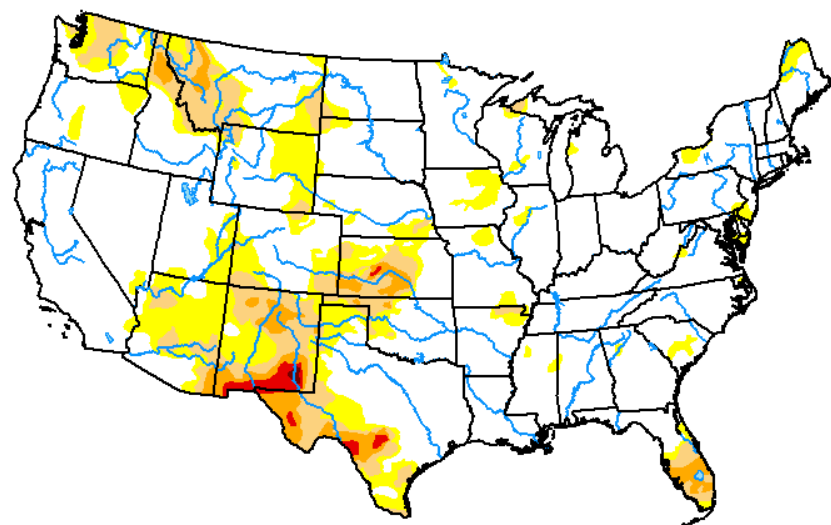
All U.S. Wildfire Losses in Excess of \$1B; *Reported in USD billions, adjusted for est. per capita income growth and population. Source: Verisk, Guy Carpenter

Weather is a Constantly Changing Risk

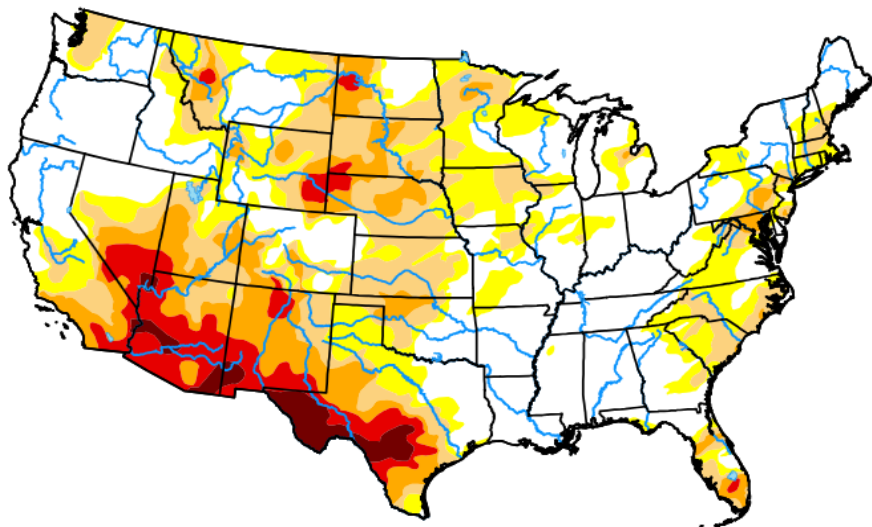
US Drought Monitor



June 7, 2022



June 4, 2024



April 17, 2025

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

Author:
Brad Pugh
CPC/NOAA



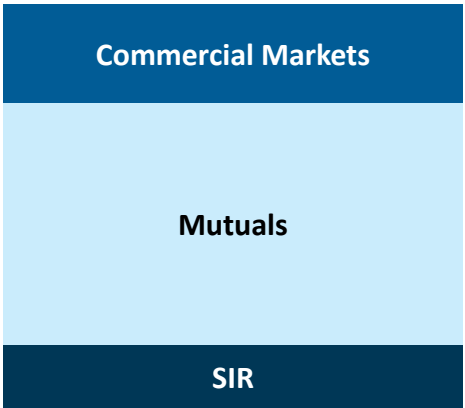
droughtmonitor.unl.edu

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Implications to Insurance Programs

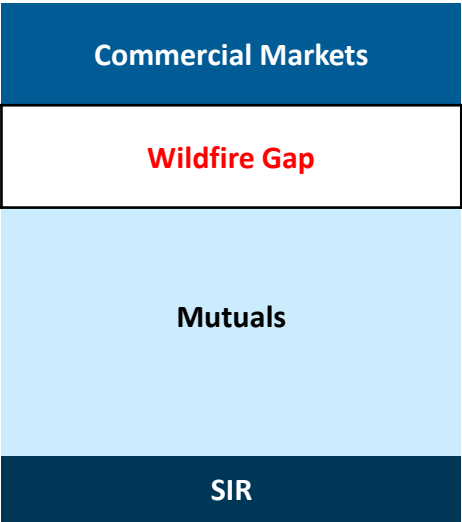
Wildfire Coverage (within Excess Casualty Program)

2023



- Consistent wildfire coverage among carriers

2025



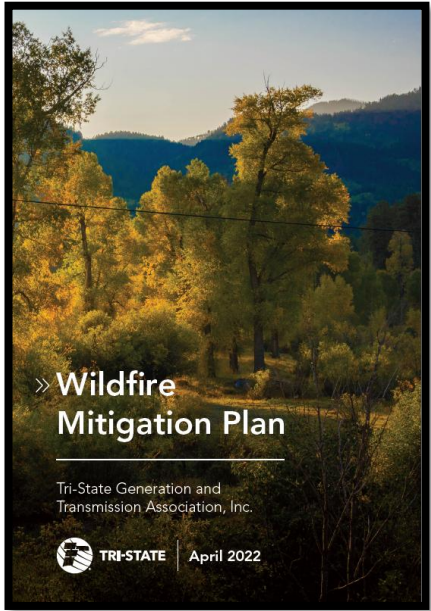
- Markets reluctant to drop down unless SIGNIFICANT increases in premium
- Insurers charging WF premium load based on geography, limits and wildfire mitigation

Wildfire Toolbox

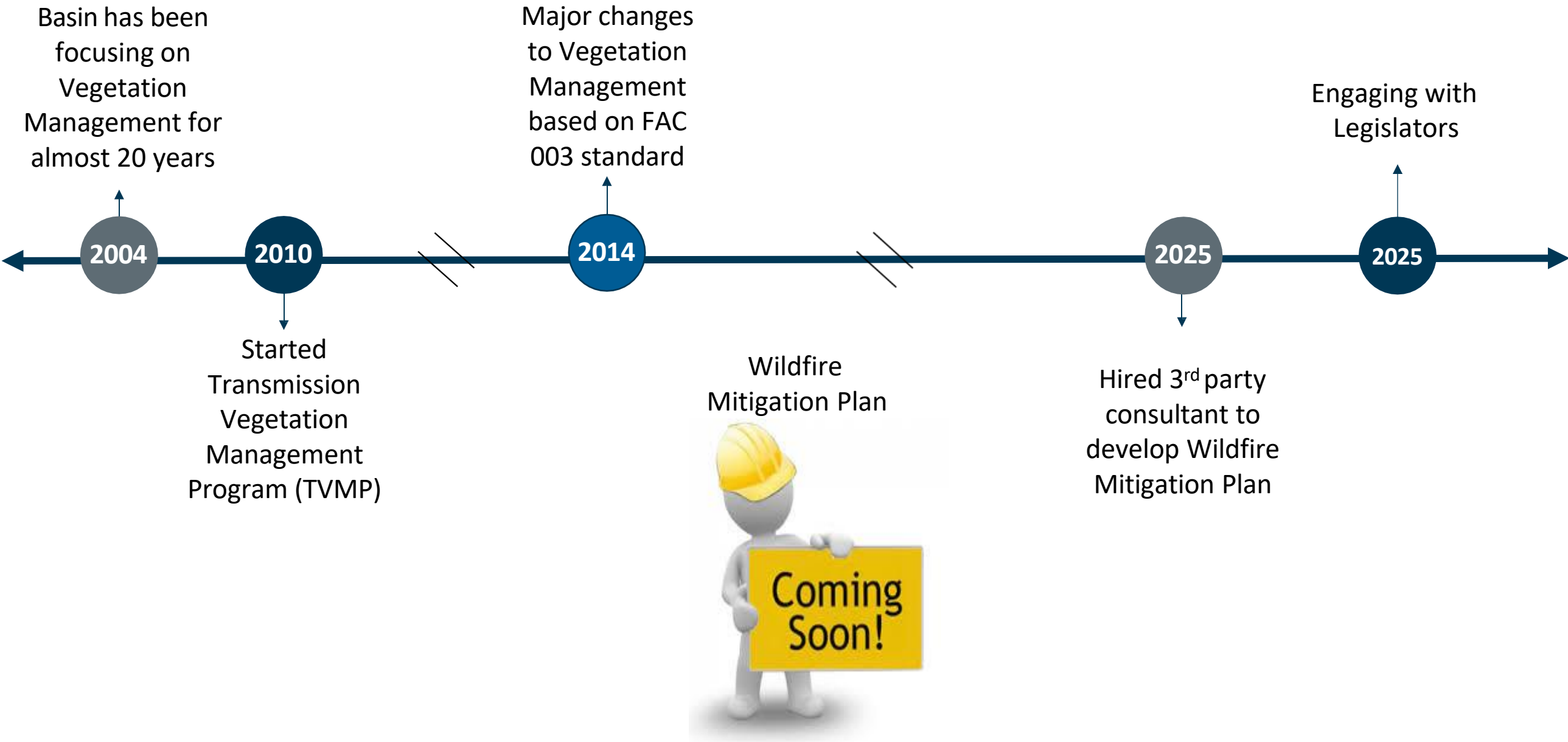
There is no silver bullet for addressing wildfire risk. A multi-prong approach should be considered and utilized.



Tri-State Wildfire Mitigation Plan Evolution



Basin Wildfire Mitigation Plan Evolution



Wildfire Risks

Environmental Risk Drivers: Out of Tri-State Control

- Vegetation (extent, type, health)
- Terrain (steep slopes, soil type, access)
- Weather/climate (drought, high winds, lightning)
- Population Density (Wildfire Urban Interface, WUI)

Systemic Risk Drivers: Tri-State Area of Influence

- Contact from objects (trees, animals, vehicles, etc)
- Equipment failure/contamination
- Equipment contact (wire-to-wire)

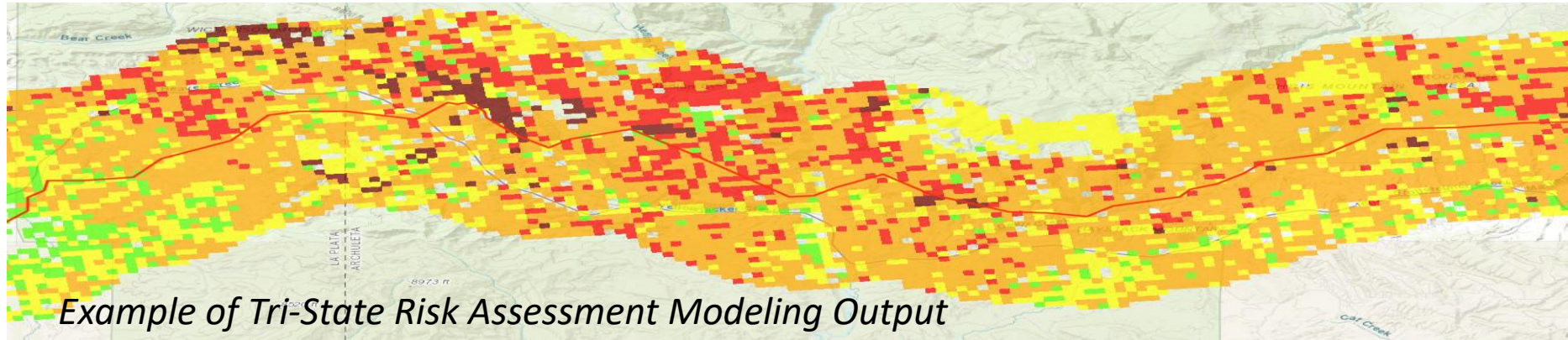
Business Risk from Wildfire

- Loss of service, internet, communications
- De-energization and impedence to restoration

Operational Controls

Data Driven

- Landscape risk
- Daily risk
- Human observation



Power Line Safety Settings

- “Normal” reclosure vs safety settings
- Manual circuit operation
- Work safe requirements/restrictions

Preemptive De-Energization / Public Safety Power Shut-Off (PSPS)

- Different processes and outcomes for Transmission vs Distribution
- Outage area defined by system design
- Line must be patrolled before re-energization
- Communication to First Responders/Impacted users critical

Insurers are beginning to recognize the differences between transmission & distribution but do want to see a thought process concerning PSPS for your business.

Tri-State Vegetation Management

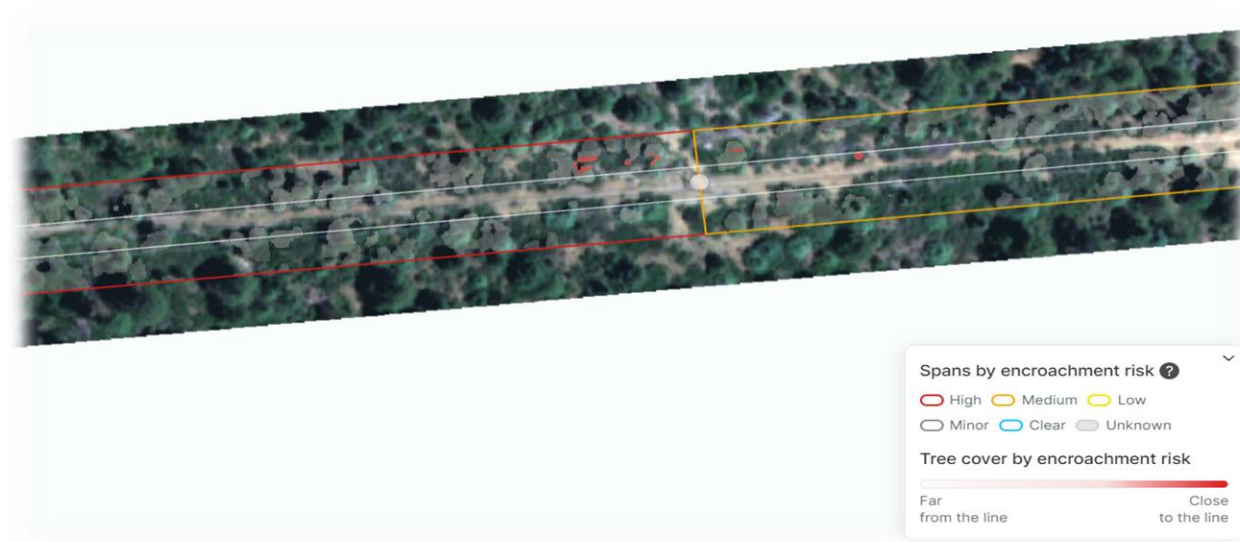
- Maintain Safe and Reliable Service and Operation of our Lines
 - Minimize vegetation-caused outages
 - Remove incompatible vegetation from the transmission ROW to eliminate risk of encroachment fuel and create a fire break
- Compliance with federal reliability standards
- Fire Prevention
 - Tree-caused outages can result in wildfires/damage to equipment
 - Selective Removal of danger trees outside of ROW to prevent fall in



Intelligent Vegetation Management

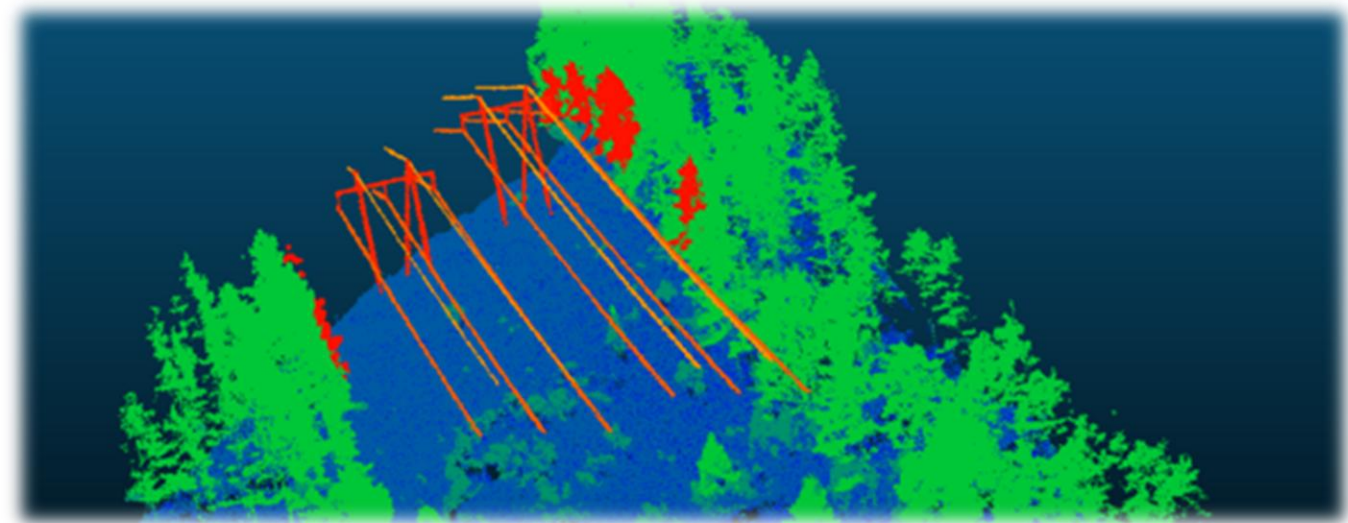
Satellite Data Collection

- Strike/Danger tree
- Vegetation growth rates
- Integration into removal SOW development and execution



Drone & LiDAR Data Collection

- Enhanced asset management benefits



Tri-State Drone Program

- UAS/Drone program to enhance our transmission line and substation inspection program, with 30+ FAA-certified pilots currently available
- Multiple benefits: vegetation assessment, asset health, safety for team members, speed / efficiency



Partnerships & Knowledge Sharing

Knowledge Sharing & Best Practices

- Annual Colorado Utilities Wildfire Summit
- Bi – Monthly Utility Wildfire Consortium
- Electric Power Research Institute: Wildfire Advisory Group

Collaboration

- Community Wildfire Protection Planning
- Tabletop Emergency Management Exercises
- State, Federal Landscape level Planning

Co-Ops, IOUs, Public Power & IPPs have common interest in mitigating wildfire risk and should be collaborating whenever possible.



Legislative Efforts

- Wide range of wildfire related legislation has been adopted or is currently being considered across the US:
 - Prevention and mitigation standards and funding
 - Utility liability and regulation
 - Insurance availability and affordability
 - Recovery and community support
- Insurers view most of these developments favorably but will not react drastically (in terms of pricing or limits) until case law is established demonstrating how the statutes hold up in court
- **All parties generating, transmitting or distributing power have common interests in this issue and should be lobbying both individually and collectively to enact meaningful legislation at the state and federal level**