

11-18-19 Senate EUC Hearing on PSPS

Chairman, Senators, my name is Jim McCarthy. I am one of the owners of the 50 Grand Restaurant and Bar in Pollock Pines. Our town is located along Hwy 50, in the Sierra foothills just east of Placerville. Many of you may know the area as Apple Hill.

First, I would like to thank you for allowing me this opportunity to talk to you today about my business, employees, and community, and how the current round of PSPS's have affected us. I hope that my comments are representative of most small rural businesses.

We purchased the restaurant in November of last year, and so have owned it for little over a year, though it has been a continuously running restaurant for 76 years. We purchased it just in time for we lovingly call Snowmageddon. The rather brutal February experienced by many of us living on the Sierras. During that month, we experienced roughly 12 days of power outage. Not much different than what we have just gone through lately with the prolonged power outages.

As you have already heard from others, this has a significant effect on business; ours being one more. What is different though is our closeness to others that are also effected. We are a place where people are able to gather and talk about what is going on. We hear about how people are depressed and stressed during times like these. In some ways, it is a little like post-traumatic stress, and we are a place for them to vent their frustrations. They often talk about how they feel, their concerns about not being able to go into work because the company they work for is closed due to the power outage. They wonder how they are going to pay rent for the month.

When the power goes out, many of our customers lose running water. They need the power from PG&E to run their well pumps. Often their generators aren't sufficiently sized to run the large electrical draw of the pumps. We had one customer that came to our restaurant in tears. She asked if she could get water so she could water her horses, flush toilets, and have water for basic hygiene.

Also, when the power goes out, Comcast cable goes out. In my business, we use Comcast for phone. Many of our customers do as well. In our community, we have a large number of retired persons. In medical emergencies, their only form of communication is often cut off.

Now, I understand that it is sometimes difficult to sympathize with the plight of those in rural areas. In urban areas, it is much rarer for the power to be lost for extended periods of time. We live in a rural area, so there is often this expectation that we should expect events like these. We should be more self-sufficient, and in many ways we often are. Where we have issues is not with the short term losses, but with instances of long duration.

Something you should also consider is that many of the people that live in areas like ours are living on wages just above the minimum wage. At our restaurant, we try to pay everyone a bit over minimum wage, because we realize the difficulty they have.

I have been blessed for most of my working life. I am a software engineer, and have a degree in electrical engineering. I know what it is like to make, as many of you do, more than \$200,000 a year. With resources available to you, when the power goes out for a time, you barely consider it an inconvenience to go out and spend \$1000 on a new generator. For many of my customers, this is hardly comprehensible. For those making \$25,000 a year, a generator is a serious expense to be considered.

As a business owner, it is something that I now have to factor in to how I budget expenses for the coming year. In February, we lost over \$6000 due to food losses. We lost another \$10,000 due to the time that we were closed and by the inability for people to get through the snow to our restaurant. This time, our losses weren't nearly as severe, because I had brought our generator from our home to our restaurant. I also had the generator we inherited from the previous owners fixed, and used this as well. So, we have been running two generators to keep us open. As things go, the generator that I had fixed, failed again. This time in the middle of dinner service. Now another day of lost revenue, and another \$1000 for another generator.

This is on top of the fact that we stay at work till midnight to run our generators, lock up, go home to a dark house, wake up with a cold shower at 6am to go start the generators again. No sleep, stress, and daily fear of losing what we have put our life savings into.

So, as they say, we worked the problem. We came up with solutions, but those solutions have costs. The gas for running the generators cost \$150 / day. A day running on PG&E costs \$40. Again, when I was making \$1000 / day by myself, an extra \$150 wouldn't be a big deal. Now, this is 10 hours of employment for one of my employees. The loss of work for my customers means similar loss of work for my employees, since they have fewer people to serve.

I really do appreciate the difficulty PG&E has in providing service during times of high winds and fire danger, but I also feel that there are improvements that could be made to help mitigate the effects on those that are dependent on their services. If widespread, persistent power outages are to be the norm, then I can prepare for this. I'll look at methods for bringing in solar or wind power, and reduce my dependence on them. But this hasn't been how they have historically acted.

As an engineer, I think of solutions. I know that PG&E can come up with methods for more targeted control of the power grid. Just as internet connections are re-routed around failed equipment. If high winds are detected in an area, then re-route power around that area. During these PSPS events, our power would be shutoff, and the air was absolutely still. No wind at all. I would talk with others further down towards Sacramento, and they would say it wasn't windy there either. So, maybe the winds were high in Benicia. I don't know, but PG&E most definitely would. There are wind and weather sensors covering almost every square mile of California. We have five just in Pollock Pines.

I feel that PG&E has its work cut out for them to improve the integrity of the power grid, but they also have work to do to improve communication with those that they serve. Just as the weather man has Doppler radar for showing where rain is falling, PG&E could have active maps that show high wind areas and where the power is turned off.

This is a difficult problem to solve, and I look forward to watching the progress this committee will be making in the coming months on this issue. It is of critical importance to those that are adversely effected by the PSPS events.

Thank you very much for your time.