



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Bear Valley Electric Service, Inc (913-E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Jeff Linam

Phone #: (909) 394-3600

E-mail: Jeff.Linam@gswater.com

E-mail Disposition Notice to: RegulatoryAffairs@bvesinc.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 491-E

Tier Designation: 1

Subject of AL: 2023 Risk Spending Accountability Report

Keywords (choose from CPUC listing): Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision No. 19-08-027

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 4/30/24

No. of tariff sheets: N/A

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Jeff Linam
Title: Regulatory Affairs Manager
Utility Name: Bear Valley Electric Service, Inc.
Address: 630 E. Foothill Blvd
City: San Dimas State: California
Telephone (xxx) xxx-xxxx: (909) 394-3600
Facsimile (xxx) xxx-xxxx:
Email: RegulatoryAffairs@bvesinc.com; Jeff.Linam@gswater.com

Name: Alicia Menchaca
Title: Rate Analyst, Regulatory Affairs
Utility Name: Bear Valley Electric Service, Inc.
Address: 630 E. Foothill Blvd
City: San Dimas State: California
Telephone (xxx) xxx-xxxx: (909) 394-3600
Facsimile (xxx) xxx-xxxx:
Email: RegulatoryAffairs@bvesinc.com, alicia.menchaca@bvesinc.co



Bear Valley Electric Service, Inc.
P.O. Box 9028
San Dimas, CA 91773-9028
A Subsidiary of American States Water Company

April 29, 2024

Advice Letter No. 491-E

(U 913 E)

California Public Utilities Commission

Bear Valley Electric Service, Inc. ("BVES") hereby transmits for filing the following:

SUBJECT: 2023 Risk Spending Accountability Report

PURPOSE

The purpose of this filing is to submit an information-only advice letter, which provides a comparison of BVES' actual expenditures to adopted expenditures, as approved in California Public Utilities Commission ("Commission" or "CPUC") Decision No. ("D.") 19-08-027, and modified in D.22-10-002.

This Advice Letter is in accordance and in compliance with D.19-08-027 and D.22-10-002 Ordering Paragraphs No. ("OP") 5c.

BACKGROUND

On August 15, 2019, the Commission issued D.19-08-027, approving the Settlement Agreement signed by all parties, to resolve the 2018 General Rate Case application of BVES. Further, D.19-08-027 adopts specific maintenance, safety, and reliability programs for BVES to be included in the annual Risk Spending Accountability Report ("RSAR"), pursuant to D.19-04-020. D.19-04-020 adopted the Risk Spending Accountability Report Requirement. D.22-10-002 modified and adopted the reporting requirements for BVES.

CPUC D.19-08-027 OP 17 states:

17. Golden State Water Company, on behalf of its Bear Valley Electric Service Division, shall file an information-only advice letter within 60 days of the issuance of the final decision in this proceeding, and annually by March 31 of each succeeding year, which includes a comparison of actual expenditures to adopted expenditures as approved in this decision for safety, reliability, and maintenance programs pursuant to the reporting requirements of Decision (D.) 19-04-020 and Public Utilities Code Section 591 relating to the Risk Spending Accountability Report. The March 31 due date revises the date previously set in D.19-04-020. The advice letters shall be filed with the Energy Division's Tariff Unit and served on the appropriate general rate

case proceedings.

CPUC D.22-10-002 OP 4c states:

Provide variance explanation if variance is greater than +/- 15 percent of the imputed cost or units.

CPUC D.22-10-002 OP 5c states:

The SMJUs shall file their RSARs annually by May 1 in their most recent general rate case (GRC) proceeding, the GRC proceeding where the RSAR costs are imputed, and with the Energy Division to: energydivisioncentralfiles@cpuc.ca.gov.

On October 14, 2019, BVES filed its first RSAR report, via Advice Letter No. ("AL") 371-E, showing the RSAR expenses and budget for 2018. On April 28, 2020, the Commission approved AL 371-E with conditions. In its approval letter for AL 371-E, Energy Division made the following statements/recommendations:

In April 2019, the CPUC issued Decision (D.) 19-04-020 modifying the selection criteria and revising the reporting guidance for utilities. ED staff calls attention to Ordering Paragraph 13 in D.19-04-020 which requires BVES to file annual RSARs in the GRC proceeding in which funding for risk mitigation spending was authorized, starting with a report covering 2019.

In addition, D.19-04-020 provides Small and Multi-Jurisdictional Utilities (SMJUs) the following direction: "We direct the SMJUs to follow the general RSAR procedures outlined in Attachment [2], providing the same level of detail on the utility's risk mitigation and risk spending as presented in its GRC, unless otherwise directed by Commission Staff." Attachment 2, Section I contains eight guiding principles for preparing RSARs that expand on the General Guidance six principles. As a result, BVES should prepare its future RSARs by following procedures outlined in D.19-04-020, Attachment 2, consistent with Commission direction.

In August 2019, the CPUC issued D.19-08-027, adopting 2018 through 2022 revenue requirements for BVES. The decision also adopted reporting requirements and specified a list of programs for BVES to report on in its annual RSARs.⁵ BVES should provide a report on spending in all safety, reliability, and maintenance programs adopted in D.19-08-027.

On October 6, 2022, the Commission issued D.22-10-002. This decision adopted changes to BVES's Risk Spending Accountability Reports going forward. The modified reporting requirements are outlined in Appendix A and Appendix B in D.22-10-002, and will be applicable following BVES's next General Rate Case.

2023 RISK SPENDING ACCOUNTABILITY

BVES hereby report its Risk Spending Accountability for calendar year 2023. This reporting complies with the reporting requirements on spending in all BVES safety, reliability, and maintenance programs adopted in D.19-08-027.

- BVES' General Rate Case (GRC) A.22-08-010, filed August 30, 2022, for 2023 through 2026 has not been approved by the CPUC. Therefore, Authorized Imputed Annual Costs are estimated, based on the GRC filing.
- Total RSAR CAPEX Authorized Imputed Annual Costs for 2023 was \$20,257,877 and Total RSAR CAPEX Actual Annual Cost was \$23,587,922. The overall Total RSAR CAPEX variance was -16.4%.
- Total RSAR O&M Expense Authorized Imputed Annual Costs for 2023 was \$4,676,782 and Total RSAR O&M Expense Actual Annual Cost was \$4,229,637. The overall Total RSAR O&M Expense variance was 9.6%.

COMPLIANCE

This advice letter requests approval in compliance with D.19-08-027, and D.22-10-002.

ATTACHMENT

Attachment A: 2023 Risk Safety Accountability Report (RSAR) on the Safety, Reliability and Maintenance Projects as authorized in D.19-08-027 and D.22-10-002.

TIER DESIGNATION

This advice letter is submitted with a Tier 1 designation.

EFFECTIVE DATE

BVES respectfully requests this advice letter become effective May 1, 2024.

NOTICE AND PROTESTS

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter. A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be mailed within 20 days of the date the CPUC accepts the advice letter for submission. The Calendar is available on the CPUC's website at www.cpuc.ca.gov.

A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant, and the reasons the protestant believes the advice letter, or a part of it, is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter.

The utility must respond to a protest within five days.

All protests and responses should be sent to:

California Public Utilities Commission, Energy Division

E-mail: EDTariffUnit@cpuc.ca.gov

The protest or correspondence should also be sent via U.S. mail and/or electronically, if possible, to BVES at the addresses shown below on the same date it is delivered to the Commission.

Bear Valley Electric Service, Inc.
Regulatory Affairs
E-mail: RegulatoryAffairs@bvesinc.com

If you have not received a reply to your protest within 10 business days, please contact Jeff Linam at (909) 394-3600.

Correspondence:

Any correspondence regarding this compliance filing should be sent by regular mail or e-mail to the attention of:

Jeff Linam
Manager, Regulatory Affairs
Bear Valley Electric Service, Inc.
630 East Foothill Blvd.
San Dimas, California 91773
Email: RegulatoryAffairs@bvesinc.com

The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest.

Sincerely,

/s/ Alicia Menchaca
Alicia Menchaca
Rate Analyst, Regulatory Affairs

cc: Jenny Au, Energy Division
R. Mark Pocta, California Public Advocates Office
Energy Division
BVES General Order 96-B Service List

BEAR VALLEY ELECTRIC SERVICE, INC.

G.O. 96-B

SERVICE LIST

AGNES ROBERTS, FINANCIAL ANALYST
AGNES.ROBERTS@BBCCSD.ORG
EMAIL ONLY

CITY CLERK
CITY OF BIG BEAR LAKE
39707 BIG BEAR BLVD.
P.O. BOX 10000
BIG BEAR LAKE, CA 92315

CITY ATTORNEY
CITY OF BIG BEAR LAKE
39707 BIG BEAR BLVD.
P.O. BOX 10000
BIG BEAR LAKE, CA 92315

COUNTY CLERK
COUNTY OF SAN BERNARDINO
385 N. ARROWHEAD AVENUE - 2ND FLOOR
SAN BERNARDINO, CA 92415-0140

COUNTY COUNSEL
COUNTY OF SAN BERNARDINO
385 N. ARROWHEAD AVENUE - 2ND FLOOR
SAN BERNARDINO, CA 92415-0140

ASST ATTORNEY GENERAL
OFFICE OF THE ATTORNEY GENERAL
STATE OF CALIFORNIA
300 SOUTH SPRING STREET
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ATTACHMENT A

**BVES 2023 Risk Safety Accountability Report (RSAR) on the Safety,
Reliability and Maintenance Projects as Authorized in D.19-08-027**

