

**BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Bear Valley Electric Service, Inc.  
(U 913 E) for Authority to, Among Other Things,  
Increase Rates and Charges, and Authorized  
Revenues, for Electric Service Effective January 1,  
2027

Application No. 26-01-\_\_\_\_\_

**2027 GENERAL RATE CASE APPLICATION  
OF BEAR VALLEY ELECTRIC SERVICE, INC. (U 913-E)**

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**A. INTRODUCTION**

Bear Valley Electric Service, Inc. (BVES or Bear Valley) respectfully hereby submits this General Rate Case (GRC) Application in accordance with California Public Utilities Code, California Public Utilities Commission (CPUC or the Commission) Rules of Practice and Procedures, Ordering Paragraph #7 of D.25-01-007, all as set forth in more detail in Section E(1) of this Application.

This Application seeks, among other things, authority for BVES to increase general rates, energy supply charges and certain other charges; authority to implement additional programs and capital improvements; approval of an appropriate overall rate of return, return on common equity, cost of debt and capital structure; authority to recover, implement, modify or eliminate, as the case may be, certain revenue adjustment mechanisms and memorandum and balancing accounts; and approval of certain previously incurred costs, all as set forth in this Application and associated direct testimony and documents.

In terms of total annual operating revenue requirements, BVES requests \$78.37 million for Test Year (TY) 2027, which represents an increase of approximately \$9.77 million, or 14.25%, when comparing 2027 revenues at present versus proposed rates. 2027 present revenues (i.e., 2026

rates at projected year-end values) include approximately \$5.1 million of revenues estimated to be recovered via advice letter filings in 2026 related to advice letter projects approved in D.25-01-007 and the solar and battery project approved in D.25-12-024.

BVES is also requesting year-over-year increases in total operating revenues of \$4.11 million (5.24%) in 2028, \$3.91 million (4.74%) in 2029, and \$6.62 million (7.66%) in 2030.<sup>1</sup> With these increases, Bear Valley's TY2030 proposed revenue requirement will be approximately \$14.63 million (17.64%) higher than the TY2027 proposed revenue requirement.

A significant portion of the increase being requested in this Application is attributable to the on-going threat from wildfires in California and the measures being implemented by BVES to mitigate the risk of a wildfire caused by Bear Valley's equipment and operations. These measures are largely mandated by the California Legislature and the Commission. Bear Valley's proposed capital budget in this Application includes approximately \$27 million annually (on average) of capital spending for wildfire mitigation projects for 2027-2030 that is in addition to the budget for more traditional capital projects.

BVES will supplement this Application by filing its proposed cost allocation and rate design by March 13, 2026. The cost allocation and rate design are contingent upon the overall revenue request and the results of its marginal cost study to be provided as part of the March 13 supplemental filing to this Application. Rather than bifurcating this proceeding into two phases, submitting the base rates revenue requirement, supply cost and supply rates portion of the Application first will allow for consideration of the overall Test Year 2027 ratemaking components more quickly. In addition, BVES will submit its affordability metrics and information by no later than April 21, 2026, as required by D.25-12-044.

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<sup>1</sup> These do not represent comparisons to revenues at present rates.

## **B. BACKGROUND**

### **1. Bear Valley's Service Territory and its Unique Characteristics**

BVES provides retail electric service to the Big Bear Lake resort area in the San Bernardino Mountains. The BVES service territory is a resort community, comprised primarily of residential customers. As of December 31, 2025, BVES provides service to 24,915 customers, of which 23,414 are residential customers and 1,501 are commercial, industrial, or public-authority customers. Included in the industrial category are relatively large accounts that provide service to two ski resorts, a local waste-water treatment facility and a pilot electric vehicle program. Unlike other utilities in California, BVES is a winter peaking utility.

For the period between 1935 and 2020, Bear Valley was a division of Golden State Water Company (GSWC). In July of 2020, GSWC implemented a corporate reorganization to transfer the electric utility assets and operations of its Bear Valley Electric Service Division to a newly established affiliate: Bear Valley Electric Service, Inc. This re-organization was authorized by the Commission in D.19-12-039. Both GSWC and BVES are now wholly-owned, first-tier subsidiaries of American States Water. The re-organization of the electric operations of BVES into a new subsidiary did not materially change the operations of BVES.

### **2. Bear Valley's System**

The BVES system is comprised of one 8.4 MW generation plant, with 28.0 circuit miles of overhead (covered) 34.5 kV sub-transmission, 3.5 circuit miles of 34.5 kV underground sub-transmission, 127.0 circuit miles of overhead (bare) 4 kV distribution, 49.0 circuit miles of overhead (covered) 4 kV distribution, 58.7 circuit miles of 4 kV underground distribution, and 14 substations. In December 2025, the CPUC approved D.25-12-024 for BVES to construct and operate a 5 MW alternating current / 6.1 MW direct current photovoltaic solar generation facility and a 5 MW/ 20 megawatt-hour battery storage system. The solar generation facility will be constructed on approximately 21 acres in Bear Valley's service territory. The solar project will be interconnected to Bear Valley's existing system with construction of 1.8 miles of new 34.5 kilovolt electrical lines. The battery storage system will be located within the boundaries of Bear Valley's existing Meadow Substation.

Bear Valley's distribution facilities are located within the control area operated by the California Independent System Operator (CAISO), but are not directly interconnected with the

CAISO-controlled high-voltage transmission grid. The BVES distribution system connects to the CAISO grid through transmission and distribution facilities owned, controlled, and operated by Southern California Edison Company (SCE). Approximately 90% of Bear Valley's service territory is located within a Tier 2 High Fire Threat District (HFTD), with approximately 10% located within a Tier 3 HFTD.

### **C. SUMMARY OF NEED FOR INCREASE IN RATES AND CHARGES**

Bear Valley's requested increases in rates and charges are necessary because the present rates and charges are insufficient, unjust and unreasonable in that they do not produce adequate revenue to recover its reasonable and prudent operation and maintenance costs and yield BVES a fair, just and reasonable rate of return on necessary and required capital previously invested as well as necessary and required capital to be invested in plant over the new GRC rate cycle.

Bear Valley's last general rate case was in 2023. The Commission issued Decision 25-01-007 for the 2023 rate case, Application 22-08-010. A summary of TY2027 revenues at present rates compared to the revenues at requested rates for TY2027 is provided in Volume 1, Chapter 3 of the testimony supporting this Application. As shown in Table 3A of that testimony, Bear Valley's annual revenues in TY2027 are forecasted to be approximately \$68.6 million at present rates, and its corresponding rate of return on rate base would be only 6.09% without the revenue requirement increase being proposed in this application. A rate of return on rate base of 6.09% would be inadequate to support BVES's capital budget and operations as it is significantly below both BVES's current adopted and proposed rate of returns of 8.07% and 9.15%, respectively.

BVES is proposing a capital budget of approximately \$132.8 million for the four-year (2027-2030) GRC cycle. The proposed capital additions for 2027-2030 are largely due to the proposed wildfire mitigation projects, as reflected below:

- 2027 -- \$30.0 million, of which \$24.4 million or 81% relates to wildfire mitigation projects;
- 2028 -- \$32.7 million, of which \$27.2 million, or 83% relates to wildfire mitigation projects;
- 2029 -- \$32.6 million, of which \$26.5 million, or 81% relates to wildfire mitigation projects;

- 2030 -- \$37.5 million, of which \$30.5, or 81% relates to wildfire mitigation projects.

## **D. SUMMARY OF TESTIMONY AND SUPPORTING MATERIAL**

### **1. Volume 1 – Results of Operation**

#### *a. Chapter 1 – Introduction:*

This chapter provides an overview of Bear Valley’s operations, system, energy needs, organization and staffing and rate structure.

#### *b. Chapter 2 – Summary of Revenue Request and Special Requests:*

The purpose of this chapter is to provide an overall summary of the revenue requirement requests in this Application. It summarizes the major components of Bear Valley’s revenue requirement request and the fact that wildfire mitigation measures comprise the lion’s share of the increase in rates. It also summarizes the overarching issues to be decided in this Application, as well as five special requests. The organization of testimony supporting this Application is also set forth in this chapter.

#### *c. Chapter 3 – Summary of Earnings:*

This chapter presents BVES’s TY2027 revenue requirement request in a Summary of Earnings (SOE) format. This chapter is divided into three sections. The first section provides a comparison of projected revenues in 2027 at present rates and proposed rates. The second section highlights the cost increases by the major cost categories on the SOE. The third section provides the SOE detail for each year of the GRC cycle (TY 2027, 2028, 2029 and 2030).

#### *d. Chapter 4 (Part A) – Sales and Customers:*

This chapter provides Bear Valley’s historic and forecasted sales, as well as energy usage by customer. It also describes the forecast model and the sales forecast by rate class from 2027 through 2030.

#### *e. Chapter 4 (Part B) – Revenues:*

This chapter provides estimated revenue information by rate class based on Bear Valley’s current rates, adjustments and other miscellaneous revenues. It includes a detailed breakdown of revenues generated by each rate schedule within the following rate classes – residential permanent,

residential seasonal, commercial, power/industrial and street lighting, base adjustment and other operating revenue.

Also included in this chapter are forecasted (2025 – 2030) revenue information by rate class for supply revenues, plus miscellaneous or other operating revenue. Chapter 4 includes an appendix setting forth the forecast methods used in this chapter.

*f. Chapter 5 – Operation & Maintenance Expenses and Administrative and General Expenses:*

This chapter addresses Bear Valley’s recorded and projected operation and maintenance (O&M) expenses. Bear Valley’s O&M costs are separated into four primary components: production; transmission; distribution; and customer accounting.

This chapter also addresses Bear Valley’s recorded and projected administrative and general (A&G) expenses, including General Office allocation, labor, outside services, pension and benefits and other office expenses.

*g. Chapter 6 – Book Depreciation and Depreciation Reserve:*

This chapter addresses Bear Valley’s depreciation and amortization expenses and accumulated provisions (reserves) for depreciation and amortization.

*h. Chapter 7 – Income Tax Expense and Other Tax Expenses:*

This chapter addresses Bear Valley’s recorded and forecast tax expenses as a component of the overall revenue requirement. The testimony covers three basic areas including: Taxes Other, Income Taxes, and Deferred Federal Income Tax Included in Rate Base.

*i. Chapter 8 (Part A) – Rate Base:*

Part A presents a description of Bear Valley’s weighted average rate base for the recorded years 2020– 2024 and forecasted average adjustment components of rate base for 2027 through 2030. It also includes an overview of projected working cash for 2027 – 2030.

*j. Chapter 8 (Part B) – Overhead/Indirect Costs in Capital Projects.*

Part B describes Bear Valley’s overhead cost allocation methodology, which is the basis for determining how Bear Valley’s indirect capitalized overhead costs are applied to capital



projects. Based upon forward-looking projections, BVES derived an overhead factor that will continue to fully allocate the overhead costs to all capital projects by the end of each year.

*k. Chapter 8 (Part C) – Working Cash*

This chapter describes the results of the lead-lag study used to develop the forecast for working cash for 2027-2030.

*l. Chapter 9 - Plant Additions and Essential Ongoing Capital Projects:*

This chapter describes planned capital additions for Bear Valley system. Projected plant additions for 2027 through 2030 are approximately \$30.0 million, \$32.7 million, \$32.6 million, and \$37.5 million, respectively. The proposed capital additions are presented in three general categories: important projects to enhance safety, reliability and quality of service; essential vehicle replacements; and essential ongoing capital improvement projects.

**2. Volume 2 – Special Requests**

BVES proposes 5 special requests (Special Requests) in this GRC Application. The 5 Special Requests are discussed in detail in Volume 2. Below is a brief summary of each Special Request.

*a. Chapter 1 – Special Request #1 –Disposition of Memorandum and Balancing Accounts.*

BVES seeks specific dispositions of the memorandum and balancing accounts identified in this chapter. Regarding those balancing and memorandum accounts not listed in this chapter, BVES makes no requests for changes to them. Those balancing and memorandum accounts shall remain open and operational in accordance with their existing provisions as set forth in their respective preliminary statements.

*b. Chapter 2 – Special Request # 2 – Disposition of the 2023 and 2024 Winter Storm Catastrophic Event Memorandum Accounts*

BVES seeks recovery of the amounts included in the 2023 and 2024 Winter Storm Catastrophic Event Memorandum Accounts which were incremental to the costs included for recovery in customer rates.

*c. Chapter 3 – Special Request # 3 – Request to establish a Wildfire Expense Memorandum Account*

BVES requests authority to establish a Wildfire Expense Memorandum Account (WEMA) to track incremental unreimbursed wildfire liability-related costs. The WEMA would be available to track BVES incremental costs in the event of a future wildfire event.

*d. Chapter 4 – Special Request # 4 – Advice Letter Projects*

BVES requests cost-recovery authority for three capital projects that will not be funded by GRC base revenue requirements established in this proceeding, but rather BVES be permitted to recover the prudently incurred costs of the three projects once the projects are completed and in use via a future Tier 2 Advice Letter filing. The three advice letter projects and their estimated forecasted costs are as follows:

- 1.) Ute Line Upgrade Project (\$6,386,772 in 2025 dollars), plus allowance for funds used during construction (AFUDC)
- 2.) North Shore Support Project (\$7,811,632 in 2025 dollars), plus AFUDC
- 3.) Retrofitting Power Lines with Insulating Material Project (\$2,725,000 in 2025 dollars), plus AFUDC

*e. Chapter 5 – Special Request # 5 – Cost of Capital Mechanism*

BVES requests Commission approval for a Cost of Capital Mechanism (“CCM”) that would allow for automatic annual adjustments to Bear Valley’s authorized Rate of Return on Rate Base for changes in interest rates during the 4-year rate cycle. If triggered, the CCM would adjust Bear Valley’s Return on Equity (ROE), embedded cost of debt and the Rate of Return on Rate Base, upward or downward by 20% of the difference, if there is a change of more than 100 basis points in the average of the Moody’s utility bond rate as measured over the period October 1 through September 30.

### **3. Volume 3 – Supply Costs**

The purpose of Volume 3 is to provide both historical and forecast information regarding Bear Valley's supply costs. This volume has five chapters.

*a. Chapter 1 – Introduction and Summary.*

This chapter provides a brief introduction and summary of the Supply Adjustment Balancing Account (Supply Adjustment Account) historical costs of purchasing and producing energy, the costs of transmission, and other power-related costs incurred during the period January 1, 2022 through December 31, 2024 (Review Period). The testimony also addresses historical revenues recorded in the Supply Adjustment Account during the Review Period and forecasted revenues for the period 2027 through 2030.

*b. Chapter 2 – Supply Adjustment Account Costs in Review Period.*

This chapter describes how the Supply Adjustment Account tracks the power supply and delivery-related costs and the revenues generated from certain charges: the "Supply Charge", the "Transmission Charge", and the "Supply Adjustment Charge". Amounts recorded into the Supply Adjustment Account were last reviewed by the Commission in Application 22-08-010 and approved in D.25-01-007. This chapter also includes a chart summarizing the cost components over the entire Review Period.

*c. Chapter 3 – Supply Adjustment Account Revenues in Review Period.*

This chapter provides a description of revenues from customer billings of the Supply Charge, the Transmission Charge and the Supply Adjustment Charge and revenues from sales of surplus energy that were tracked and recorded into the Supply Adjustment Account over the Review Period.

*d. Chapter 4 – Year-End Balance in Supply Adjustment Account;*

In this chapter, BVES seeks approval of the year-end (December 31, 2024) cumulative balance recorded in the Supply Adjustment Account.

*e. Chapter 5 – Forecast of Power Supply Costs:*

The purpose of this chapter is to provide a description and basis for the forecast of power supply costs to be included in customer rates for this Application.

**4. Volume 4 – Cost of Capital**

In this volume, BVES recommends an authorized rate of return (ROR) at 9.15% based on a return on equity (ROE) of 11.30%. In its previous GRC, BVES was authorized a ROR of 8.07% based on an ROE of 10.00%, per a settlement agreement adopted by the Commission in D.25-01-007. The recommended ROR and ROE are based upon the following:

**Weighted Cost of Capital**

<b>Cost Component</b>	<b>Weight</b>	<b>Cost</b>	<b>Weighted Cost</b>
Long-Term Debt	40.0%	5.92%	2.37%
Common Equity	60.0%	11.30%	6.78%
<b>Rate of Return</b>			<b>9.15%</b>

BVES requests approval of its request for an ROR of 9.15% based upon an ROE of 11.30% with weighted costs of capital as set forth in the table immediately above.

**5. Volume 5 – Risk-Based Decision-Making Framework**

The purpose of this volume is to address processes and measures BVES has undertaken to address the Commission’s directive that utilities include a risk-based decision-making framework in their GRC applications. BVES also seeks approval of the program and projects to be reported in BVES’s Risk-Spending Accountability Report during this GRC rate cycle.

**6. Volume 6 – Cost Allocation and Rate Design**

BVES intends to submit its proposed cost allocation and new customer rates in a supplement to this Application in approximately six weeks from the filing of this Application. BVES anticipates that the testimony in Volume 6 will address such issues as its marginal cost study, its proposed cost allocation to customer classes, and rate design for each customer class.

## **E. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS**

### **1. Statutory and Other Authority – Rule 2.1.**

This Application is filed pursuant to, among others, Sections 314.5, 377, 451, 454, 463, 463.5, 491, 701, 728, 728.1, 729, 740, 740.1, 795, 850, 850.1, 854, 854.2, 3293, 8386 *et al.*, the Commission's Rules of Practice and Procedure, and in compliance with the following decisions and directives.

In D.25-01-007 the Commission approved a settlement of Bear Valley's last GRC (A.22-08-010) (the Settlement). The Settlement provided that BVES is to file its next GRC application with a TY2027 by January 31, 2026, and the cost allocation and rate design components of the application by no later than six weeks after the filing of the application. The application is to incorporate a four-year GRC rate cycle.

This Application has been verified as provided in Rule 1.11.

### **2. Legal Name and Principal Place of Business – Rule 2.1(a).**

The applicant's legal name is Bear Valley Electric Service, Inc. Bear Valley's principal place of business is located at 42020 Garstin Drive, Big Bear Lake, California, 92315. It is a corporation duly organized and existing under and by virtue of the laws of the State of California. In D.19-12-039, the Commission authorized Golden State Water Company to implement a corporate reorganization to transfer the electric utility assets and operations of Golden State Water Company's Division of Bear Valley Electric Service to a newly created corporation of Bear Valley Electric Service, Inc. On July 1, 2020, Bear Electric Service, Inc. received the electric assets from Golden State Water Company's Division of Bear Valley Electric Service, and Bear Valley Electric Service, Inc. commenced its operations. The Commission stated in Decision D.19-12-039 that the Certificate of Public Convenience and Necessity held by the Division of Bear Valley Electric Service was transferred to Bear Valley Electric Service, Inc. as part of the Commission's approval of Application 18-12-019 requesting authorization to implement the subject corporate reorganization.

### **3. Correspondence and Communication Regarding This Application – Rule 2.1(b).**

All correspondence and communications regarding this Application should be addressed to:

Paul Marconi  
President, Secretary and Treasurer  
Bear Valley Electric Service, Inc.  
42020 Garstin Drive  
P.O. Box 1547  
Big Bear Lake, California 92315  
(800) 808-2837  
[Paul.Marconi@bvesinc.com](mailto:Paul.Marconi@bvesinc.com)

with a copy to:  
Jon Pierotti  
Vice President of Regulatory Affairs.  
Golden State Water Company  
630 East Foothill Boulevard  
San Dimas, California 91773  
(909) 394-3600  
[Jon.Pierotti@gswater.com](mailto:Jon.Pierotti@gswater.com)

Data Requests and related issues should be addressed to

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Manager of Regulatory Affairs  
Golden State Water Company  
630 East Foothill Boulevard  
San Dimas, California 91773  
(909) 394-3600  
[Jenny.Chen@gswater.com](mailto:Jenny.Chen@gswater.com)

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**4. Categorization – Rule 2.1(c)**

BVES proposes that this Application be categorized as a “rate setting” proceeding within the meaning of Rule 1.3(g) of the Commission’s Rules of Practice and Procedure.

**5. Need for Evidentiary Hearings – Rule 2.1(c)**

BVES anticipates that evidentiary hearings may be requested or required. Bear Valley’s proposed schedule is set forth below.

**6. Issues to Be Considered – Rule 2.1(c).**

BVES anticipates issues to be considered in this proceeding will include, but may not be limited to, the following.

- Whether the proposed revenue requirements for TY2027, 2028, 2029 and 2030 are just and reasonable and the Commission should authorize BVES to reflect those adopted revenue requirements in rates.
- Whether the disposition of the memorandum and balancing accounts requested by BVES are just and reasonable and should be authorized by the Commission.
- Whether BVES should establish a Wildfire Expense Memorandum Account to track incremental unreimbursed wildfire liability-related costs.
- Whether the recovery through a Tier 2 advice letter of the forecasted cost of \$6,386,772 (in 2025 dollars), plus allowance for funds used during construction, for construction of the Ute Line Upgrade Project is just and reasonable and should be authorized by the Commission.
- Whether the recovery through a Tier 2 advice letter of the forecasted cost of \$7,811,632 (in 2025 dollars), plus allowance for funds used during construction, for construction of the North Shore Support Project is just and reasonable and should be authorized by the Commission.
- Whether the recovery through a Tier 2 advice letter of the forecasted cost of \$2,725,000 (in 2025 dollars), plus allowance for funds used during construction, for a pilot program for the Retrofitting Power Lines and Insulating Material Project is just and reasonable and should be authorized by the Commission.

- Whether the approval of the requested Cost of Capital Mechanism for BVES is just and reasonable and should be authorized by the Commission.
- Whether the costs and revenues booked into the Supply Adjustment Account are valid and reasonable and the ending balance in the Supply Adjustment Account as of December 31, 2024 is correct.
- Whether a rate of return of 9.15% based on a return on equity of 11.30%, a cost of debt of 5.92%, a long-term debt weight of 40% and a common equity weight of 60% are just and reasonable and should be authorized by the Commission.
- Whether the cost allocation and rate design is just and reasonable and should be authorized by the Commission.

**7. Relevant Safety Considerations – Rule 2.1(c)**

Safety of our customers, employees, contractors, and the communities BVES serves is the top priority of BVES. In this Application, BVES proposes a number of programs and initiatives to continue and enhance Bear Valley’s ability to deliver safe and reliable service to our customers. Some of the programs and initiatives in this Application that are relevant to safety considerations include, but are not limited to, programs and initiatives to be funded which have been authorized in Bear Valley’s WMPs to reduce the risks of wildfires, which is one of the greatest safety risks. BVES also has a number of programs for employee and contractor safety initiatives. These programs have yielded results. As of January 16, 2026, BVES has had: 464 days of no accidents or injuries; no employee fatalities in over twenty years; no employee contact with high voltage conductors in over fifteen years; no BVES-caused ignitions in over 20 years; and no BVES-caused wildfires ever.

**8. Proposed Schedule – Rule 2.1(c)**

BVES respectfully requests that the Commission issue a decision as soon as practicable, but no later than the schedule set forth below, which assumes there is a need for an evidentiary hearing, to permit the requested rates and other requests to be in effect as close as possible to January 1, 2027:

Application filed	January 30, 2026
Rate Design/Cost Allocation Supplement filed	March 13, 2026
Protests/Responses Due	April 13, 2026



Affordability Metrics Filed	April 21, 2026
Reply to Protests	April 23, 2026
Prehearing Conf/Scoping Memo	April 30, 2026
Cal Advocates/Intervener (Testimony)	June 11, 2026
BVES Rebuttal	July 10, 2026
Formal Settlement Negotiations	July 13-24, 2026
Hearings	July 29-30, 2026
Opening Briefs	August 31, 2026
Reply Briefs	September 28, 2026
Proposed Decision	November 24, 2026
Comments on Proposed Decision	December 14, 2026
Replies to Comments on Proposed Decision	December 21, 2026
Expected Commission Meeting/Decision	January 21/28, 2027

In light of the proposed schedule set forth above and Bear Valley’s request for the new rates and charges in this Application to be effective January 1, 2027, BVES intends to file a motion requesting that the Commission authorize the establishment of a GRC Memorandum Account. Establishing such an account would allow BVES to track the difference between the rates and charges collected between January 1, 2027 and the date of the final decision as compared to the new, authorized rates and charges to be effective as of January 1, 2027 as set forth in the final decision. The Memorandum Account would permit the Commission to make retroactive adjustments in rates and charges such that both BVES and its customers are economically indifferent due to the date of issuance of the final decision that authorizes new rates and charges effective January 1, 2027.

**9. Articles of Incorporation – Rule 2.2**

In compliance with Rule 2.2, a copy of Bear Valley’s Articles of Incorporation, certified by the California Secretary of State on December 12, 2018, was filed with the Commission in connection with Bear Valley’s Application 18-12-019, and is by reference made a part hereof.

**10. Balance Sheet and Income Statement – Rule 2.3(h)**

Bear Valley’s balance sheet and income statement for the period ending September 30, 2025, is attached hereto as Appendix A.

**11. Statement of Presently Effective and Proposed Rates – Rules 3.2(a)(2) and 3.2(a)(3)**

Bear Valley's current rates and charges for electric service are in its electric tariffs and schedules on file with the Commission. These tariffs and schedules are filed with and made effective by the Commission in its decisions, orders, resolutions and approvals of advice letter filings pursuant to Commission Order 96-B.

If Bear Valley's request in this Application is granted, TY 2027 operating revenue requirement will be \$78.37 million. This operating revenue requirement includes Bear Valley's Base Rate Revenue Requirement and its Supply Cost Revenue Requirement. The request of \$78.37 million for TY2027 is a 14.25% increase from forecasted 2027 revenues at present rates. 2027 present revenues (i.e., 2026 rates at projected year-end values) include approximately \$5.1 million of revenues estimated to be recovered via advice letter filings in 2026 related to advice letter projects approved in D.25-01-007 and the solar and battery project approved in D.25-12-024.

If Bear Valley's request in this Application is granted, BVES will also receive increases in operating revenues of 5.24%, 4.74%, and 7.66% for the calendar years of 2028, 2029, and 2030, respectively. These annual increases for the last three years of the GRC cycle are year-over-year increases. They do not represent comparisons to revenues at present rates. If granted, Bear Valley's 2030 revenue requirement will be approximately 17.64% higher than the TY2027 proposed revenue requirement.

**12. General Description of Bear Valley Property and Equipment, Original Cost Thereof, and Depreciation – Rule 3.2(a)(4)**

BVES provides retail electric service to the Big Bear Lake resort area in the San Bernardino Mountains. BVES's service territory is a 32-square mile area surrounding Big Bear Lake and includes the communities of Big Bear Lake, Big Bear City, Fawnskin, Erwin Lake, Moonridge, Sugarloaf, Baldwin Lake, and Boulder Bay.

The BVES system is comprised of one 8.4 MW generation plant, with 28.0 circuit miles of overhead (covered) 34.5 kV sub-transmission, 3.5 circuit miles of 34.5 kV underground transmission, 127.0 circuit miles of overhead (bare) 4 kV distribution, 49.0 circuit miles of

overhead (covered) 4 kV distribution, 58.7 circuit miles of 4 kV underground distribution, and 14 substations. In December 2025, the CPUC approved D.25-12-024 for BVES to construct and operate a 5 MW alternating current / 6.1 MW direct current photovoltaic solar generation facility and a 5 MW/ 20 megawatt-hour battery storage system. The solar generation facility will be constructed on approximately 21 acres in BVES's service territory. The solar project will be interconnected to BVES existing system with construction of 1.8 miles of new 34.5 kilovolt electrical lines. The battery storage system will be located within the boundaries of BVES's existing Meadow Substation.

BVES has only one generation facility, the Bear Valley Power Plant (BVPP), which is located at the site of the BVES Main Office and began commercial operations in January 2005. The BVPP consists of seven internal combustion engines each rated at 1.2 MW (8.4 MW total) and fueled by natural gas.

BVES capitalizes, as utility plant, the cost of construction and the cost of additions, betterments and replacements of retired units of property. Such costs include labor, material and certain indirect charges. Depreciation is computed on the straight-line, remaining-life basis, group method for accounting and ratemaking purposes. At retirement, the original cost of depreciable property, less any net salvage value, is charged to the accumulated depreciation reserve for accounting and ratemaking purposes. The original cost and depreciation reserve applicable to Bear Valley's property and equipment are shown in the Balance Sheet attached as Appendix A of this Application, and in the Depreciation Study workpapers supporting Chapter 6 of Volume 1 of the testimony supporting this application.

**13. Summary of Earnings – Rule 3.2(a)(5)**

A summary of earnings is attached as Appendix B to this Application.

**14. Tax Depreciation – Rule 3.2(a)(7)**

BVES has selected methods prescribed in the Internal Revenue Code ("IRC") as applicable to the various vintages of its property that is depreciable for federal income-tax purposes. For example, for assets placed in service from 1981–1986, the Accelerated Cost Recovery System ("ACRS") applied, and for assets placed in service after 1986, the Modified Accelerated Cost Recovery System ("MACRS") applies. A special depreciation allowance ("bonus depreciation")

was provided under the tax law for assets placed in service in various vintages from 2002 through 2017 at rates between 20 and 100 percent; however, the Tax Cuts and Jobs Act (“TCJA”) generally repealed bonus depreciation for regulated utilities after 2017. Throughout the periods described above and as forecasted in the present Application, although the IRC provides for various elections (*e.g.*, to elect to substitute a straight-line method for MACRS depreciation, or to elect out of bonus depreciation), BVES has not made any such elections and has applied the default methods prescribed under the IRC as being the most beneficial for its customers. BVES has used the same methods in calculating federal income taxes for the test period for rate-fixing purposes as it has employed in computing its depreciation deductions for purposes of determining its federal income-tax payments.

**15. Parent Company Proxy Statement – Rule 3.2(a)(8)**

Bear Valley’s parent company is American States Water Company. Below is the link to American States Water Company’s Proxy Statement for the 2025 Annual Meeting of Shareholders.

[https://www.sec.gov/ix?doc=/Archives/edgar/data/0001056903/000114036125012187/ny20042518x1\\_def14a.htm](https://www.sec.gov/ix?doc=/Archives/edgar/data/0001056903/000114036125012187/ny20042518x1_def14a.htm)

**16. Statement Pursuant to Rule 3.2(a)(10)**

Bear Valley’s Application includes a request to pass through and recover its costs of providing service and to add various capital expenditures to rate base that are required to continue to provide such service. These requested rate base additions would earn a return on, as well as a return of, capital. In that sense, BVES in this Application is not limited to passing through to customers only increased costs to the corporation for the services or commodities furnished by it.

**17. Service of Notice – Rule 3.2(b)-(d)**

Within 20 days of the filing of this Application, BVES will cause to be published a notice of the general terms of the proposed increase in a newspaper of general circulation in the area served. Within 20 days of the filing of this Application, BVES will mail or e-mail a Notice of Availability that describes in general terms the proposed rate increases to the officers of political subdivisions and interested parties listed on Exhibit D attached hereto. Within 45 days of the filing of this Application, BVES will provide each customer of record, the information required by Rule 3.2(d) of the Commission's Rules of Practice and Procedure. Proof of compliance will be filed with the Commission within 20 days after compliance of the last action required in this paragraph. Proof of publication shall include a sworn verification listing the newspapers and publications dates and a sample of each different notice.

**18. Chief Executive Officer Certification**

Section 8386.4(a)(3) of the Public Utilities Code governs recovery of costs related to approved WMPs and requires that the chief executive officer of a utility certify in a GRC application that the utility has not received authorization from the Commission to recover such costs in a previous proceeding, including wildfire cost recovery applications. This provision is intended to bar double recovery of WMP-related costs that have already been approved in a previous proceeding. The required certification of the chief executive officer of BVES is attached as Appendix C to this Application.

**19. Affordability Metrics**

Ordering Paragraph #1 of Decision 25-12-044 requires all electric utilities, including BVES, to include in their GRC applications certain affordability metrics and other related information. In accordance with Ordering Paragraph #2, BVES shall provide such metrics and information in this GRC no later than April 21, 2026.

**F. CONCLUSION**

Bear Valley's present rates are unjust and unreasonable and do not and will not produce a fair and reasonable return and recovery of prudently incurred costs. The requested rate increase and surcharge, along with the Special Requests, sought by this Application, will enable BVES to

recover its prudently incurred costs and earn a fair and reasonable rate of return on its property dedicated to rendering electric service to the public in its service area.

**G. PRAYER FOR RELIEF**

WHEREFORE, Bear Valley Electric Service, Inc. prays that this Commission issue an Order:

- 1) Finding that the present rates and charges are unjust and unreasonable.
- 2) Finding that the rates, charges and surcharge proposed herein are fair, just and reasonable.
- 3) Directing that there be a concurrent withdrawal and cancellation of existing rates, charges, tariffs and classifications to be superseded by rates, charges and other tariff changes as necessary to reflect the rates and charges requested in the Application and supporting testimony.
- 4) Authorizing BVES a rate of return on rate base (ROR) of 9.15% for TY2027 through 2030, based on an 11.30% return on equity (ROE), a 5.92% cost of debt, and a capital structure of 40% long-term debt and 60% common equity.
- 5) Authorizing BVES to have an authorized total operating revenue requirement, excluding surcharges, of \$78,370,845, \$82,476,992, \$86,383,862, and \$93,003,321 for TY2027 through 2030, respectively.
- 6) Approving the Special Requests set forth in Volume 2 of the supporting testimony.
- 7) Approving the \$39,943,886 of costs and \$34,583,289 of revenues recorded to the Supply Adjustment Account for the Review Period and an ending under-collection balance in the Supply Adjustment Account of \$402,213 as of December 31, 2024.
- 8) Approving capital additions of \$30,001,959, \$32,679,220, \$32,564,762, and \$37,540,788 for the years TY2027 through 2030, respectively.
- 9) Approve the list of programs and projects to be reported in the Risk Spending Accountability Report.

10) Granting such further, additional or other relief as requested herein as the Commission may deem to be necessary or proper in light of this Application.

Dated at Irvine, California: January 30, 2026

Respectfully submitted,

BY:                     /s/ Fred G. Yanney                    

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Attorney for Bear Valley Electric Service,  
Inc.

## **VERIFICATION**

I am the attorney for the applicant Bear Valley Electric Service, Inc., herein. The President, Secretary and Treasurer and only officer of the applicant is absent from the County of Orange, California, where I have my office, and I make this verification for said applicant for that reason. I am informed and believe that the matters stated in the foregoing Application are true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 30th day of January, 2026, at Irvine, California.

By: /s/ Fred G. Yanney

**Fred G. Yanney**

Yanney Law Office

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Attorney for Bear Valley Electric Service, Inc.



**APPENDIX A**

**BVES BALANCE SHEET and INCOME STATEMENT**

**Bear Valley Electric Service, Inc. ("BVES")****Balance Sheet****(Unaudited)**

<b>(in thousands)</b>	<b>September 30, 2025</b>
<b>Utility Plant</b>	
Utility plant, at cost	\$ 244,127
Less - Accumulated depreciation	(58,554)
Net utility plant	185,573
<b>Other Property and Investments</b>	644
<b>Current Assets</b>	
Cash and cash equivalents	2,099
Accounts receivable — customers (less allowance for doubtful accounts of \$517 in 2025 and \$200 in 2024)	4,039
Unbilled receivable	1,520
Receivable from affiliate	63
Materials and supplies, at average cost	5,233
Regulatory assets — current	15,941
Prepayments and other current assets	655
Total current assets	29,550
<b>Other Assets</b>	
Unamortized debt expense and redemption premium	185
Regulatory assets	27,117
Other	20
Total other assets	27,322
<b>Total Assets</b>	<b>\$ 243,089</b>
<b>(in thousands)</b>	<b>September 30, 2025</b>
<b>Capitalization</b>	
Common shareholder's equity	\$ 107,590
Long-term debt	84,622
Total capitalization	192,212
<b>Current Liabilities</b>	
Notes payable to banks	5,000
Accounts payable	5,546
Income taxes payable to parent	1,743
Accrued employee expenses	890
Accrued interest	1,348
Purchase power contract derivative at fair value	14,275
Other	1,224
Total current liabilities	30,026
<b>Other Credits</b>	
Advances for construction	20
Deferred income taxes	20,201
Accrued pension and other postretirement benefits	567
Other	63
Total other credits	20,851
<b>Total Capitalization and Liabilities</b>	<b>\$ 243,089</b>

**Bear Valley Electric Service, Inc. ("BVES")**  
**Statement of Income**  
**For the Nine Months Ended Septemeber 30, 2025 (in thousands)**  
**(Unaudited)**

**Operating Revenues**

Electric	\$ 41,262
Total operating revenues	<u>41,262</u>

**Operating Expenses**

Power purchased for resale	12,822
Supply cost balancing accounts	(2,882)
Other operation	3,499
Administrative and general	9,862
Depreciation and amortization	2,718
Maintenance	4,248
Property and other taxes	2,063
Total operating expenses	<u>32,330</u>

<b>Operating Income</b>	8,932
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**Other Income and Expenses**

Interest expense	(3,577)
Interest income	1,208
Other, net	488
Total other income and expenses	<u>(1,881)</u>

<b>Income from operations before income tax expense</b>	7,051
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Income tax expense	1,532
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<b>Net Income</b>	<u><u>\$ 5,519</u></u>
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## **APPENDIX B**

### **SUMMARY OF EARNINGS**

**Table 3B**  
**Summary of Earnings Comparison**  
**TY2027 through 2030**

	AT PROPOSED RATES			
	BVE Proposed	BVE Proposed	BVE Proposed	BVE Proposed
	2027	2028	2029	2030
<b>OPERATING REVENUE</b>	<b>\$78,370,845</b>	<b>\$82,476,992</b>	<b>\$86,383,862</b>	<b>\$93,003,321</b>
Purchased Power for Resale & provision for supply	\$15,534,938	\$15,738,446	\$15,206,823	\$16,662,161
<b>Total Supply Expense</b>	<b>\$15,534,938</b>	<b>\$15,738,446</b>	<b>\$15,206,823</b>	<b>\$16,662,161</b>
<b>REVENUE LESS SUPPLY EXPENSE</b>	<b>\$62,835,907</b>	<b>\$66,738,547</b>	<b>\$71,177,039</b>	<b>\$76,341,160</b>
Common customer account	\$58,476	\$65,324	\$72,171	\$79,018
Postage	\$119,577	\$120,531	\$121,544	\$122,318
Uncollectibles	\$654,459	\$688,749	\$721,374	\$776,652
Operation labor	\$3,232,539	\$3,361,046	\$3,492,751	\$3,631,183
All other operation expenses	\$1,783,276	\$1,910,487	\$2,037,857	\$2,165,369
<b>Total Operating Expenses</b>	<b>\$5,848,328</b>	<b>\$6,146,137</b>	<b>\$6,445,697</b>	<b>\$6,774,540</b>
Maintenance Labor	\$469,525	\$488,366	\$507,494	\$527,579
All other maintenance expense	\$3,918,718	\$4,064,747	\$4,212,822	\$4,364,101
<b>Total Maintenance Expenses</b>	<b>\$4,388,243</b>	<b>\$4,553,113</b>	<b>\$4,720,316</b>	<b>\$4,891,680</b>
<b>TOTAL O&amp;M EXCLUDING A&amp;G</b>	<b>\$10,236,571</b>	<b>\$10,699,250</b>	<b>\$11,166,013</b>	<b>\$11,666,220</b>
Office supplies and expense	\$747,922	\$757,056	\$766,648	\$776,134
Property insurance	\$40,551	\$45,620	\$51,322	\$57,738
Injuries and damages	\$1,258,978	\$1,528,067	\$1,866,595	\$2,292,389
Pensions and benefits	\$1,888,464	\$2,028,462	\$2,182,187	\$2,352,067
Business meals	\$10,713	\$10,857	\$11,011	\$11,166
Regulatory commission	\$797,472	\$797,472	\$797,472	\$797,472
Outside services	\$3,237,722	\$3,271,420	\$3,297,440	\$3,342,402
Miscellaneous	\$128,510	\$131,112	\$133,670	\$136,540
Allocated A&G Labor	\$3,810,260	\$3,810,260	\$3,810,260	\$3,810,260
All other maintenance general	\$318,121	\$320,311	\$323,167	\$327,060
Rent	\$4,021	\$4,079	\$4,134	\$4,199
A & G expense capitalized	-\$161,790	-\$161,790	-\$161,790	-\$161,790
A & G labor	\$1,615,645	\$1,680,273	\$1,745,597	\$1,817,863
<b>Total Admin and General Expense</b>	<b>\$13,696,588</b>	<b>\$14,223,200</b>	<b>\$14,827,713</b>	<b>\$15,563,499</b>
<b>DEPRECIATION AND AMORTIZATION</b>	<b>\$7,764,703</b>	<b>\$8,421,213</b>	<b>\$9,047,095</b>	<b>\$9,746,213</b>
Property Taxes	\$3,546,945	\$3,919,103	\$4,213,201	\$4,655,944
Payroll Taxes	\$434,907	\$449,826	\$464,623	\$479,495
Local Taxes	\$729,797	\$768,034	\$804,416	\$866,057
<b>Total Taxes Not on Income</b>	<b>\$4,711,649</b>	<b>\$5,136,963</b>	<b>\$5,482,239</b>	<b>\$6,001,496</b>
<b>TOTAL EXPENSE EXCLUDING INC TAXES</b>	<b>\$51,944,449</b>	<b>\$54,219,071</b>	<b>\$55,729,883</b>	<b>\$59,639,588</b>
<b>NET OPER REVENUE BEFORE INCOMES TAXES</b>	<b>\$26,426,396</b>	<b>\$28,257,921</b>	<b>\$30,653,979</b>	<b>\$33,363,733</b>
State Taxes - Above the Line	\$1,734,282	\$1,889,524	\$2,075,066	\$2,263,173
Federal Taxes - Above the Line	\$4,433,652	\$4,489,735	\$4,790,705	\$5,196,140
<b>Total Income Taxes</b>	<b>\$6,167,934</b>	<b>\$6,379,259</b>	<b>\$6,865,771</b>	<b>\$7,459,313</b>
<b>Net Operating Revenue</b>	<b>\$20,258,462</b>	<b>\$21,878,662</b>	<b>\$23,788,208</b>	<b>\$25,904,420</b>
<b>Rate Base</b>	<b>\$221,403,955</b>	<b>\$239,111,062</b>	<b>\$259,980,415</b>	<b>\$283,108,418</b>
<b>Rate of Return</b>	<b>9.15%</b>	<b>9.15%</b>	<b>9.15%</b>	<b>9.15%</b>

**APPENDIX C**

**PUBLIC UTILITIES CODE SECTION 8386.4 CERTIFICATION**

## **PUBLIC UTILITIES CODE SECTION 8386.4 CERTIFICATION**

1. I am the President, Secretary and Treasurer of Bear Valley Electric Service, Inc. (BVES). In accordance with Public Utilities Code Section 8386.4, I provide this certification on behalf and in support of Bear Valley's cost-recovery request for wildfire costs presented in this GRC application.

2. I hereby certify that BVES has not, in a previous proceeding, received authorization from the California Public Utilities Commission (Commission) to recover the costs of the activities described in Bear Valley's Wildfire Mitigation Plans (WMPs) that are sought in this Application. In no other proceeding has BVES received revenue for wildfire mitigation costs sought to be included in the 2027-2030 rate-case period.

3. As a result of Bear Valley's previous GRC (A.22-08-010), in D.25-01-007 the Commission approved recovery of costs booked into the Fire Hazard Prevention Memorandum Account, the Fire Risk Mitigation Memorandum Account, and Wildfire Mitigation Plan Memorandum Account.

4. In D.25-01-007, the Commission approved revenue requirements for wildfire mitigation measures for the rate period 2023-2026.

5. BVES is seeking in this Application, among other things, recovery of incremental costs booked into the Wildfire Mitigation Plan Memorandum and the Fire Risk Mitigation Memorandum Account through a Tier 2 Advice Letter filing for which BVES has not previously received authorization to recover in rates, and a revenue requirement for wildfire mitigation costs on a forecast basis for the 2027-2030 period. The costs BVES are seeking to recover in this GRC are for certain wildfire mitigation costs and activities described in Commission-approved Wildfire Mitigation Plans and the 2026-2028 Wildfire Mitigation Plan approved by OEIS and under consideration by the Commission, and are incremental to funding authorized by the Commission in D.25-01-007.

6. In sum, none of Bear Valley's previously filed proceedings has recovered wildfire mitigation costs sought to be recovered in this GRC application. To be clear, the cost recovery request for wildfire mitigation activities presented in this GRC application is

separate and distinct from the cost recovery requests granted in D.25-01-007. In this way, customers will not pay twice for the same work.

7. My certification reflects my belief that Bear Valley's position on which costs are incremental and eligible for rate recovery is reasonable, is based upon Bear Valley's interpretation and understanding of California Public Utilities Code Section 8386.4, and is based upon information from BVES employees on whom I rely for their knowledge about the details of these issues.

Executed effective as of this 30<sup>th</sup> day of January, 2026.

/s/ Paul Marconi  
Paul Marconi  
President, Secretary and Treasurer  
Bear Valley Electric Service, Inc.



**APPENDIX D**

**SERVICE OF NOTICE OF AVAILABILITY LIST**

**BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Bear Valley Electric Service, Inc.  
(U 913 E) for Authority to, Among Other Things,  
Increase Rates and Charges, and Authorized  
Revenues, for Electric Service Effective January 1,  
2027

Application No. 26-01-\_\_\_\_\_

**NOTICE OF AVAILABILITY**

An Application for 2027 General Rate Case (Application) has been filed with the California Public Utilities Commission by Bear Valley Electric Service, Inc. (BVES). BVES is requesting an increase in revenue of \$24.41 million (31.89%) for 2027-2030 from present rate revenues<sup>1</sup>. A significant portion of this increase is for investments in programs and improvements to increase public safety from the threat of wildfires and to increase service reliability, including costs related to the covered conductor replacement<sup>2</sup> and evacuation route hardening<sup>3</sup> projects, vegetation management<sup>4</sup>, switch and field device automation<sup>5</sup>, and substation and grid upgrades<sup>6</sup>. This request will be phased in over the years of the application.

If anyone receiving this Notice of Availability wishes to receive a copy of the Application, please contact Jenny Chen at [jenny.chen@gswater.com](mailto:jenny.chen@gswater.com) or send a written notice to her at, 630 East Foothill Boulevard, San Dimas, California 91773. A copy of the application and any related documents may also be reviewed at <https://www.bvesinc.com/customer-service/rates-regulations/cpuc-applications>.

For questions about this application, please contact Bear Valley at [CustomerService@bvesinc.com](mailto:CustomerService@bvesinc.com), 1-800-808-2837 (toll-free) or 1-877-933-9533 (toll-free) TTY, or 630 E. Foothill Blvd., San Dimas, CA 91773.

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<sup>1</sup>Present rate revenues (i.e., 2026 rates at projected year-end values) include approximately \$5.1 million of revenues estimated to be recovered via advice letter filings in 2026 related to capital projects approved in D.25-01-007 and the solar and battery project approved in D.25-12-024.

<sup>2</sup>Replace 60 circuit miles (15 circuit miles/year) of bare conductors with covered conductors in wildfire and PSPS high risk areas.

<sup>3</sup>Makes facilities along evacuation routes more fire-resistant, and better protects the mobility of First Responders to move assets in and out of the wildfire areas.

<sup>4</sup>Preventative, corrective, and emergency vegetation clearance and management to reduce the risk of vegetation growing too closely to power lines before it becomes a fire risk.

<sup>5</sup>Establishes communications network across the sub-transmission and distribution systems that allows Bear Valley to remotely and rapidly de-energize sections of circuits when the circuit is determined to be at high risk of causing an ignition.

<sup>6</sup>Upgrades equipment, replaces aging substation equipment, grid direct bury lines, and transformers, and provides for mobile generation to mitigate impact of PSPS, as well as emergency generation during disaster response.

/s/ Jenny Chen

Jenny Chen  
Golden State Water Company  
630 East Foothill Boulevard  
San Dimas, CA 91773  
(909) 394-3600  
(909) 866-5056 (fax)  
[jenny.chen@gswater.com](mailto:jenny.chen@gswater.com)

**BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Bear Valley Electric Service, Inc.  
(U 913 E) for Authority to, Among Other Things,  
Increase Rates and Charges, and Authorized  
Revenues, for Electric Service Effective January 1,  
2027

Application No. 26-01-\_\_\_\_\_

**CERTIFICATE OF SERVICE**

I certify that I have by electronic mail, or by U.S. mail where no electronic address has been provided, this day served a true copy of the attached NOTICE OF AVAILABILITY on all parties listed in the attached Service List.

Dated January 30<sup>th</sup>, 2026 at San Dimas, California

/s/ Audrey Jackson

Audrey Jackson  
Golden State Water Company  
630 East Foothill Boulevard  
San Dimas, CA 91773  
(909) 394-3600  
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## SERVICE OF NOTICE OF AVAILABILITY

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