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Via Electronic Mail

July 10, 2023

Caroline Thomas Jacobs, Director
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Subject: Response by Bear Valley Electric Service, Inc. to the California Department of Fish and Wildlife, Rural County Representatives of California, the Green Power Institute, and Public Advocates Office at the California Public Utilities Commission Comments on Bear Valley's 2023-2025 Wildfire Mitigation Plan

Docket: 2023-2025-WMPs

Dear Ms. Thomas Jacobs:

Pursuant to the Office of Energy Infrastructure Safety ("Energy Safety") 2023-2025 Wildfire Mitigation Plan Process and Evaluation Guidelines of December 6, 2022, and Revised 2023 Wildfire Mitigation Plan Schedule for the Small Multi-Jurisdictional Utilities and Independent Transmission Operators of March 21, 2023, Bear Valley Electric Service, Inc. ("BVES" or "Bear Valley") submits its responses to the comments made by the California Department of Fish and Wildlife ("CDFW"), Rural County Representatives of California ("RCRC"), Green Power Institute ("GPI"), and Public Advocates Office at the California Public Utilities Commission ("Cal Advocates") regarding Bear Valley's 2023-2025 Wildfire Mitigation Plan ("WMP" or "Plan").

Bear Valley recognizes the benefits of an open and transparent WMP approval process and appreciates the external reviews and comments to its WMP. Bear Valley would like to re-emphasize its open invitation to the Cal Advocates and other commenters to visit Big Bear Lake to better understand the unique nature and condition of the BVES service territory and the inherent risks in our operations/service territory, our wildfire mitigation efforts, and the constraints BVES faces.

I. CDFW's Comments and Responses

CDFW Comment #1: CDFW claims that BVES did not meet the requirement to discuss its procedures/processes to ensure environmental compliance. CDFW makes this assessment because in its view, BVES did not adequately describe its detailed process to assess potential environmental impacts and determine which environmental laws, regulations, or permits are applicable for specific Plan activities.

BVES Response: BVES complies with all environmental laws and requirements associated with its planned WMP activities. BVES has never been cited or received a “notice of violation” by any government agency regarding its WMP activities. BVES always seeks the required permits and consults with the applicable agencies that have jurisdiction during project development. In fact, BVES’s number one priority WMP project, the Radford Line Replacement Project, has been in the permitting process with the United States Forest Service (“USFS”) for the last 3 years. While this process is long and exacting, BVES strictly adheres to ensuring compliance with the USFS process and working with the USFS to ensure the project meets the USFS’s requirements to protect the USFS lands where it is impacted. Contrary to CDFW’s assertions, BVES does follow the environmental planning process that CDFW describes in its comments. BVES normally engages an expert consultant in environment law and requirements in the initial stages of the planning process to ensure the project complies with applicable environmental requirements and laws and the proper consultations and permitting requests are made. Additionally, this initial review allows BVES to identify early on any potential conflicts, which may be best resolved by adjusting the project design; for example, changing the route of a circuit.

In light of CDFW’s comments, BVES will include more detail in Section 5.4.5 Environmental Compliance and Permitting in its next scheduled WMP Update.

CDFW Comment #2: CDFW claims that BVES did not include any environmental laws and regulations associated with CDFW’s discretionary approval of Plan activities in the Table 5-6 Relevant State and Federal Environmental Laws, Regulations, and Permitting Requirements for Implementing the WMP.

BVES Response: BVES disagrees with CDFW’s claim. BVES completed Table 5-6 Relevant State and Federal Environmental Laws, Regulations, and Permitting Requirements for Implementing the WMP specifically for the projects included in its WMP. BVES recognizes CDFW’s discretionary approval of WMP activities and will include the list suggested by CDFW in its next scheduled WMP Update. BVES recognizes it is within CDFW’s Inland Desert Region and will ensure appropriate consultations are made for applicable plan activities.

II. RCRC's Comments and Responses

RCRC Comment #1: RCRC requests more uniform regulatory parameters, oversight, and scoping of fast trip programs, including reporting outages and mitigating reliability impacts.

BVES Response: BVES appreciates RCRC's concerns. As stated in Section 8.1.8.1 Equipment Settings to Reduce Wildfire Risk (Tracking ID: GD_37), Bear Valley's 34.5kV sub-transmission system is fed by Southern California Edison's (SCE) sub-transmission systems at 34.5kV at two delivery points. In order to ensure that the BVES protective system is properly coordinated with SCE's protective system, BVES's protective curve settings are always set to the fast trip settings. Additionally, for over 20 years, it has been BVES's policy to use the fast trip curve setting on all devices due to BVES's location within high fire risk areas. Comparison of BVES's outage data to other California and US utilities for the last 10 years does not indicate this policy resulted in increased outages. For over 20 years, BVES has not experienced any reportable ignitions. Most BVES customers are residential or small commercial businesses. Therefore, it is rare for customer equipment to cause an over current driven trip even when protective equipment is set on the fast trip curve.

III. GPI's Comments and Responses

GPI Comment #1: SMJUs are leveraging their small and/or multi-jurisdictional territories to advance their WMP initiatives.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #2: Risk Assessment and Modeling: The SMJUs are engaging Technosylva to overhaul their wildfire risk planning modeling tools and approaches.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #3: Risk Assessment and Modeling: Likelihood of Risk Event (LoRE).

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #4: Risk Assessment and Modeling: Consequence of Risk Event (CoRE).

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #5: Risk Assessment and Modeling: The SMJUs do not have risk assessment approaches that clearly take into account factors such as asset age or operating conditions.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments. BVES is moving to close the gap in taking into account factors such as asset age or operating conditions.

GPI Comment #6: Risk Assessment and Modeling: Design Basis Scenarios.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #7: Risk Assessment and Modeling: Ingress/Egress risk mitigation.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #8: Grid Design, Operations, and Maintenance: Interim Mitigations: GPI recommends requiring the SMJUs to provide additional detail on their wildfire risk interim mitigation strategies, minimally in their 2024 WMP Update, and in all future WMP filings.

BVES Response: GPI acknowledges that Bear Valley discusses employing interim mitigation strategies on circuits that are scheduled for hardening initiatives several years in the future. Bear Valley acknowledges GPI's comment that BVES did not detail the specific strategies. The strategies include prioritizing inspection and resolution of findings on these circuits before fire season, increase vegetation management QCs, and a strategy to install the "Online Diagnostic System" on these circuits to provide increased situational awareness of potential issues that could lead to a fault and ignition. BVES will include more detail on these interim efforts in its next scheduled WMP Update.

GPI Comment #9: Grid Design, Operations, and Maintenance: BVES should clarify its undergrounding and traditional overhead hardening targets.

BVES Response: Currently, BVES does not have plans to underground its circuits. This is due to several factors: (1) Bear Valley's terrain is extremely rocky and not conducive to large scale undergrounding, (2) replacing power lines with covered wire is a significantly faster process to mitigating wildfire risks due to less permitting requirements and increased hardening speed per circuit mile, and (3) undergrounding facilities is extremely expensive when compared to replacing power lines with covered conductors. BVES views the traditional overhead hardening program (GD-8) as a separate program from its covered conductor and pole hardening projects (GD-1 through 4). The traditional overhead hardening program (GD-8) is comprised of many small projects based upon historical need, due to various causes, to conduct capital improvements to help ensure distribution and sub-transmission facilities are fully operational and compliant with applicable technical specifications, CAL/OSHA safety standards, CPUC General Orders, applicable codes, environmental regulations, other government requirements. These projects arise out of routine inspections or emergent conditions that require BVES to install, remediate, and/or upgrade these affected facilities and related equipment to help ensure their safe and reliable operation and compliance with the applicable standard(s). The causes for emergent deficiencies or failures or degradations of such facilities and equipment include natural disasters, severe weather events, vehicle collisions, pest infestation, animal damage, material and mechanical failures, corrosion of materials, normal wear and tear, etc. While it is impossible to foresee every specific capital improvement project that will fall within these categories, BVES is able to reasonably estimate the overall level of effort for these projects in the aggregate based on

history. For example, when BVES conducts intrusive pole inspections per GO 165, it does not know which specific poles may fail and require replacement, but historically, a small percentage of approximately less than 5 percent do fail. Therefore, expressing the target in terms of circuit miles does not provide a reasonable metric to track the initiative's progress. Bear Valley selected to use the "percent of its assigned budget" as the metric because BVES has a reasonable sense of the level of effort required for traditional hardening and, therefore, the budget for this initiative.

For the reasons above, Energy Safety should reject GPI's recommendation.

GPI Comment #10: Grid Design, Operations, and Maintenance: BVES should provide additional details on their Grid Design, Operations, and Maintenance QA/QC results.

BVES Response: Bear Valley does not see the value in including the Grid Design, Operations, and Maintenance QA/QC results in its WMP. What is important to include in Bear Valley's WMP is the fact that BVES has a QA/QC program and that the program is conducting audits and checks on WMP work. The specific results of the program go beyond the scope of the WMP. For example, Bear Valley conducts LiDAR inspections but there is no expectation that BVES list each finding of the inspection. Similarly, listing each finding of a QA/QC audit or check would be burdensome and go beyond the scope of the WMP. Energy Safety's Compliance Division and the Independent Evaluator are best suited to evaluate the implementation of initiatives. Using the WMP Update process to document compliance in WMP initiatives is beyond the scope of the WMP and clearly not in accordance with the WMP Guidelines.

For the reasons above, Energy Safety should reject GPI's recommendation.

GPI Comment #11: Vegetation Management: Liberty and BVES approaches to VM fuels and slash removal may facilitate timely access to private property for VM activities.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #12: Vegetation Management: California must begin to take a long view on utility vegetation management methods, woody biomass end-uses, best practices, and transparency.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #13: Vegetation Management: SMJUs should expand on IVM progress to date.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

GPI Comment #14: Vegetation Management: Open work order backlogs.

BVES Response: BVES appreciates the feedback in this section and agrees with GPI's comments.

IV. Cal Advocates' Comments and Responses

Cal Advocates Comment #1: Energy Safety should require BVES to rework its system hardening plans to aggressively target the highest-risk locations.

BVES Response: Cal Advocates' comments are misguided. As discussed in the WMP, and dismissed by the reply comments, BVES is wholly located within Tier 2 and Tier 3 HFTDs in a dry forested mountain region. The service area is also very compact (32 square miles and less if one subtracts out the lake), with a substantial portion of the area composed of wildland urban interface (WUI). As we saw, in the recent Radford Fire (August-September 2022), the entire area will potentially be put in jeopardy by any wildland fire in the service territory. Accordingly, nearly all the overhead facilities within BVES carry substantial risk of igniting a consequential wildfire. This does not mean that BVES does not consider relative risk or dismisses higher risk efforts if barriers are presented but rather that real risk reduction is achieved by projects on most circuits in its territory. The relative risk differential between BVES's highest and lowest risk circuits or spans is significantly smaller than most, if not all California IOUs. Therefore, while risk reduction of the highest risk circuits is the priority, other factors, such as permitting, also influence the sequencing of project work.

Cal Advocates is wrong in its conclusion that BVES fails to address the highest risk areas with its grid hardening programs. Cal Advocates makes this claim based on its analysis of screen shots of the initial WRRM output for BVES's system. Cal Advocates fails to note that the models behind the WRRM have at best a 60 percent confidence level and that the WRRM does not take into account actual asset condition and loading. Cal Advocates blindly accepts the WRRM model results without conducting any further and necessary sensitivity analysis or attempting to understand the context of the WRRM output as well as actual asset conditions to fully develop where the highest risk areas exist.

BVES subject matter experts (SMEs – engineering and field operations professionals) review risk model outputs (Fire Safety Matrix and WRRM) and merge the WRRM with their deep knowledge of the asset conditions to develop BVES's grid hardening work plan and schedule. Bear Valley's SMEs conduct field visits to ensure the highest relative risk areas are prioritized to be hardened first. As stated above, all of BVES's small (32-square mile) service area is either extreme (HFTD Tier 3) or elevated (HFTD Tier 2) fire hazard risk. BVES suspects that Cal Advocates has never visited the BVES service area for WMP purposes. It has no first-hand knowledge of actual asset conditions and loading. Lacking this key information, BVES believes that Cal Advocates is unable to make a fully-informed determination on whether or not BVES is correctly prioritizing its WMP initiatives to address the highest risk areas. For this reason alone, Cal Advocate's conclusion on this subject is questionable.

Another critical flaw in Cal Advocates' argument is that it assumes because some areas are lower risk than others, the lower risk areas are without risk. However, this is simply far from reality.

All of BVES's service area is high risk, with some areas relatively higher risk than others. BVES service territory has no low risk areas.

Over the next year, BVES will seek to include asset condition and loading in the risk models it employs for WMP planning. It intends to merge the WRRM results with an asset condition model. BVES's use of more sophisticated risk assessment models is evolutionary and since its first WMP in 2019, BVES has made considerable improvements in risk assessment and has a plan to continue to do so. However, BVES must (in parallel with WRRM information) use its real-world information in the planning cycle to ensure grid hardening activities are being performed to mitigate wildfire risk. As stated in BVES's WMP, the initial WRRM results were provided to BVES in February 2023. The planning and ordering of material for 2023 was conducted in the summer of 2022. The WRRM will help SMEs steer the planning for 2024. It is important to note that the risk assessment models are one tool to be used by SMEs (professional electrical engineers and field operations staff with significant field experience) in their planning efforts. Other factors must be considered to reach the best possible result.

For the reasons above, Energy Safety should reject Cal Advocate's recommendation.

Cal Advocates Comment #2: Energy Safety should require BVES's revised 2023 WMP to include an updated 2024 covered conductor workplan that prioritizes at least 80 percent of BVES's planned system hardening in the riskiest 35 bare overhead miles, as determined by the WRRM.

BVES Response: Bear Valley is constantly re-evaluating its WMP work sequencing plan. The WMP, like most plans, is a snapshot of an evolving process. As stated in BVES's response to Cal Advocate's Comments #1, Cal Advocates is wrong in its conclusion that BVES fails to address the highest risk areas with its grid hardening programs. BVES stated in its WMP that it would include the WRRM results in its 2024 and 2025 grid hardening plans. Requiring BVES to file special updates is administratively burdensome and provides little value. BVES will provide updates to its WMP in accordance with Energy Safety's guidance and regular schedule. Energy Safety should reject Cal Advocates' recommendation.

Cal Advocates Comment #3: Energy Safety should require BVES's revised 2023 WMP to include a preliminary work plan for 2025 covered conductor installation that similarly targets the highest-risk locations.

BVES Response: Bear Valley is regularly re-evaluating its WMP initiative sequencing plan. The WMP, like most plans, is a snapshot of an evolving process. As stated in BVES's response to Cal Advocate's Comments #1, Cal Advocates is wrong in its conclusion that BVES fails to address the highest risk areas with its grid hardening programs. BVES stated in its WMP that it would include the WRRM results in its 2024 and 2025 grid hardening plans. Requiring BVES to file special updates is administratively burdensome and provides little, if any, value. Energy Safety should reject Cal Advocates' recommendation.

Cal Advocates Comment #4: Energy Safety should instruct BVES to file a Change Order that details whether and how BVES has updated its covered conductor work plans to account for any changes between the initial and final WRRM results. Change Order in Q1 of 2024.

BVES Response: Bear Valley is regularly re-evaluating its WMP work sequencing plan. The WMP, like most plans, is a snapshot of an evolving process. As stated in BVES’s response to Cal Advocate’s Comments #1, Cal Advocates is wrong in its conclusion that BVES fails to address the highest risk areas with its grid hardening programs. BVES stated in its WMP that it would include the WRRM results in its 2024 and 2025 grid hardening plans. Requiring BVES to file a special change order beyond what is required by Energy Safety’s guidelines is administratively burdensome and provides little, if any, value. Energy Safety established clear guidance on change orders that address when they are required. Cal Advocates seemingly wishes to have Energy Safety manipulate the rules governing change orders to advance its own priorities. Energy Safety should reject Cal Advocates’ recommendation.

Cal Advocates Comment #5: Energy Safety should require BVES to perform a comprehensive evaluation of alternatives to installing covered conductor across its entire system. Change Order in Q2 of 2024

BVES Response: Cal Advocates’ makes the following statement “[for] 50 percent of BVES’s system that constitutes its lowest-risk lines, BVES should more rapidly implement alternative measures to reduce risk” and uses this wrong assessment as the basis to suggest BVES should employ other less effective WMP measures.

Once again, Cal Advocates fails to account for the fact that Bear Valley’s service area is a wilderness environment with heavily treed terrain, which makes the territory vulnerable to potential ignition risk. The service area is considered “Very Dry” or “Dry” per the National Fire Danger Rating System (NFRDS)¹ over 75 percent of the time. Therefore, the combination of dry conditions and heavy vegetation result in high levels of available fuel to burn in the event of a wildfire. The CPUC Fire-Threat Map, adopted January 19, 2018, designated Bear Valley’s service area as being in the High Fire-Threat District (HFTD) with approximately 90% in Tier 2 (elevated risk) and the remaining 10% in Tier 3 (extreme risk) areas.² The Cal Fire California Fire Hazard Severity Zone Map Update Project rates Bear Valley’s service area as “Very High Fire Hazard Severity Zone”.³ Most of Bear Valley’s service area is heavily wooded and has significant brush growth. Moreover, years of drought and elevated ambient temperatures above historical norms has exacerbated the situation further with no relief from dry and high-fuel terrain in the service area. Climate change predictions indicate drought, dryness, and elevated temperatures will continue on their increasing trends. Therefore, as fuel moisture content lowers and dry fast wind events such as Santa Ana winds develop, the threat of a wildfire developing

¹USDA Forest Service, National Fire Danger Rating System, [https://www.fs.usda.gov/detail/invo/home/?cid\]=stelprdb5173311.](https://www.fs.usda.gov/detail/invo/home/?cid]=stelprdb5173311.); BVES Analysis

²CPUC, CPUC Adopts New Fire-Safety Regulations, December 14, 2017, <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M201/K352/201352402.PDF>.

³CAL FIRE, Wildland Hazard & Building Codes Cities for which CAL FIRE has made recommendations on Very High Fire Hazard Severity Zones (VHFHSZ), http://www.fire.ca.gov/fire_prevention/fire_prevention_wildland_zones_maps_citylist.

should an ignition occur becomes more significant. Generally, moisture level in fuel become a concern starting June (but could occur earlier in the season) and Santa Ana wind events typically become a concern starting September through November – these periods are approximate and can vary significantly any given year.

Cal Advocates simply ignores the above facts and irresponsibly “writes off” 50 percent of BVES’s service area as being “low risk.” Clearly, some areas are lower risk than other areas but the entire system is high risk – BVES’s entire service area is HFTD Tiers 2 and 3.

The alternatives that Cal Advocates recommends BVES consider are increased inspection and vegetation management. BVES is already performing significantly more inspection than the Commission’s requirements (GO-165). BVES has increased its detailed inspection of circuits beyond the 5-year periodicity requirement, BVES performs two full patrol inspections per year (only one is required) and BVES performed the following inspections, which are not even addressed in GO-165: LiDAR, UAV photography/videography, and UAV thermography. BVES has increased its vegetation clearances around power lines beyond the minimum requirements of GO-95. Cal Advocates in making its recommendation to perform these as alternatives fails to acknowledge that such recommended activities are already in progress. Additionally, Cal Advocates ignores the fact that inspections do not mitigate many ignition drivers such as those from “blow-ins”, third party damage (car-hit-pole), animal contact, and trees and branches falling into the lines from outside the right of way clearances; all of which are mitigated by undergrounding facilities or replacing bare wire with covered conductors.

Cal Advocates assumes that O&M mitigations are lower cost and less than the cost of grid hardening projects without conducting any supporting analysis. In comparing capital costs to O&M mitigation costs, one has to look at the lifecycle costs. For example, 40 years of inspection costs (present value) compared to the present value to install covered wire. Cal Advocates is very short-sighted in its bias toward “lower cost” O&M mitigations. Additionally, Cal Advocates fails to recognize that the alternatives (it proposes) to undergrounding or installing covered conductor are far less effective in assuring the near elimination of ignition risk (as discussed above).

Cal Advocates also suggests that BVES install unproven emerging technologies (such as customized fast-curve settings, distribution fault anticipation, early fault detection, rapid earth fault current limiters, falling conductor protection, etc.) that may or may not work as advertised. For an SMJU to engage in projects where there is significant technology (and effectiveness) risk would not be prudent. SMJUs should, as BVES states in its WMP, take into account the results of the large IOU pilot projects in these emerging technologies and then adopt implementation plans where it is appropriate. Being an early adopter of emerging technologies presents significant financial risk to BVES’s small customer base with little guarantee that they will actually be effective.

For the above reasons, Energy Safety should reject Cal Advocates’ recommendation.

Cal Advocates Comment #6: Energy Safety should require BVES to revise its long-term system hardening plan, substantially scaling back the use of covered conductor in lower-risk locations in favor of more cost effective mitigations.

BVES Response: As stated and demonstrated in Bear Valley’s response to Cal Advocates’ Comment #5, Cal Advocates once again misrepresents BVES’s risk profile by suggesting BVES has low risk areas. It does not. The facts are that Bear Valley’s service area is a wilderness environment with heavily treed terrain makes the territory vulnerable to potential ignition risk. The service area is considered “Very Dry” or “Dry” per the National Fire Danger Rating System (NFRDS) over 75 percent of the time. Therefore, the combination of dry conditions and heavy vegetation result in high levels of available fuel to burn in the event of a wildfire. The CPUC Fire-Threat Map, adopted January 19, 2018, designated Bear Valley’s service area as being in the High Fire-Threat District (HFTD) with approximately 90% in Tier 2 (elevated risk) and the remaining 10% in Tier 3 (extreme risk) areas. The Cal Fire California Fire Hazard Severity Zone Map Update Project rates Bear Valley’s service area as “Very High Fire Hazard Severity Zone”. Most of Bear Valley’s service area is heavily wooded and has significant brush growth. Moreover, years of drought and elevated ambient temperatures above historical norms has exacerbated the situation further with no relief from dry and high-fuel terrain in the service area. Climate change predictions indicate drought, dryness, and elevated temperatures will continue on their increasing trends. Therefore, as fuel moisture content lowers and dry fast wind events such as Santa Ana winds develop, the threat of a wildfire developing should an ignition occur becomes more significant. Generally, moisture level in fuel become a concern starting June (but could occur earlier in the season) and Santa Ana wind events typically become a concern starting September through November – these periods are approximate and can vary significantly any given year.

Cal Advocates provides its recommendation for BVES to scale back its covered conductor project but provides no assessment on the very real potential losses (in terms of life and property) that would result from a catastrophic wildfire in comparison to the cost of the project. BVES calculated risk reduction for each initiative and Cal Advocates did not dispute the calculations. However, Cal Advocates remains silent on how the risk that BVES intends to mitigate would be an acceptable approach to public safety if BVES were to follow Cal Advocates’ recommendation.

As a prudent manager, BVES is regularly evaluating the effectiveness and the cost benefit analysis for its selected WMP initiatives. Therefore, for the reasons stated above Energy Safety should reject Cal Advocate’s recommendation.

Cal Advocates Comment #7: Energy Safety should require BVES to clearly and quantifiably demonstrate how its Energy Storage Facility and Solar Energy Project will materially reduce the wildfire risk and PSPS risk in its service territory. If BVES is unable to produce the required analyses in time, BVES should remove these projects from its 2023 WMP.

BVES Response: Simple analysis of the BVES service area supply sources clearly support the need for these projects. These projects clearly reduce wildfire risk and PSPS risk as follows:

- Southern California Edison (SCE) retains the option (as a last measure of last resort) to de-energizes supply lines to the BVES’s service area to reduce the risk of wildfire on high fire threat risk days as part of its PSPS plans. This materially reduces the risk of wildfire (de-energizing lines reduces probability of ignitions).
- If SCE de-energizes supply lines to BVES’s service area, the disruption to BVES customers due to a loss of SCE power supply lines would be reduced by having a solar generating facility and energy storage facility in the BVES service area. Reducing impact (consequence) reduces risk (risk is the product of probability of occurrence and consequence). This materially reduces the risk of PSPS.

These projects clearly contribute to the WMP micro-grid initiatives and have a very important role in BVES’s WMP. The Energy Storage Facility and Solar Energy Project will be vetted with the Commission in an open and transparent proceeding when BVES files an application for these facilities. Energy Safety should reject Cal Advocates’ recommendation.

Cal Advocates Comment #8: Energy Safety should explicitly state that approval of BVES’s WMP or subsequent WMP updates shall not be used as justification for the necessity or reasonableness of the Energy Storage Facility and Solar Energy Project in any future applications to other regulatory entities.

BVES Response: The Energy Storage Facility and Solar Energy Project will be vetted with the Commission in an open and transparent proceeding when BVES files an application for these facilities. As stated in Bear Valley’s WMP, these projects help to reduce wildfire and PSPS risk and, therefore, are appropriate to be included in BVES’s WMP.

More importantly, Cal Advocate’s recommendation is a misguided attempt by Cal Advocates to set restrictions on other agencies. That is clearly outside of Energy Safety’s statutory authority, and Energy Safety should reject Cal Advocates’ recommendation.

Cal Advocates Comment #9: Energy Safety should require BVES to revise and resubmit its WMP to detail exactly how BVES plans to implement its QA/QC on its asset inspections. This revision should include, at a minimum, six key elements.

BVES Response: Bear Valley has a QA/QC program for asset inspections and has already fully implemented several of the “six steps” that Cal Advocates recommends. BVES has written procedures for the asset inspections its staff performs. BVES uses standardized inspection forms for asset inspections. Photographs are taken on assets for inspection purposes. BVES has written procedures for quality control that outlines its QC methodologies.

While Cal Advocates’ six steps seem reasonable, Cal Advocates provides no background or reference on the origin of the “six steps”. It is unclear if they are based on International Organization for Standardization (ISO) Quality Assurance & Quality Check Standards or if they are simply something that Cal Advocates thinks is a “good idea.” Bear Valley maintains a formal QA/QC plan “Bear Valley Electric Service, Inc. Asset & Inspection Quality Management Plan” which is ISO based and aligns with industry best practices.

BVES is improving its record keeping of asset inspection QC audits. Having “remediation plans if QC audit pass rates fall below BVES’s target” in advance of actual audit results as Cal Advocates suggests would not be effective. When an item fails QC audit, the root cause(s) of the failure needs to be determined and then the corrective action plan is developed to address each root cause. It is simply unrealistic and impractical to draft remediation for future possible QC discrepancies and findings.

BVES is continuing to improve its QA/QC programs and will continue to provide updates in its regularly scheduled WMP Updates per Energy Safety’s schedule. Energy Safety should reject Cal Advocates’ recommendation to have BVES provide a revision to its WMP and require BVES to implement Cal Advocates’ six steps.

Cal Advocates Comment #10: Energy Safety should require BVES to implement the six proposed key elements by the end of 2023.

BVES Response: For the reasons stated in BVES’s response to Cal Advocate’s Comment #9, Energy Safety should reject Cal Advocates’ recommendation to require BVES to implement Cal Advocates’ unsupported six steps.

Cal Advocates Comment #11: Energy Safety should require BVES to immediately begin keeping records and methodological documentation of its “cross check” program.

BVES Response: Bear Valley has already started keeping records and methodological documentation of its “cross check” program. While BVES does not oppose the substance of Cal Advocates’ recommendation, Energy Safety should reject Cal Advocates’ recommendation since is already performing Cal Advocates’ recommendation.

Cal Advocates Comment #12: (All SMJUs) Energy Safety should direct BVES to file a Change Order that includes QA/QC procedures and documents, along with preliminary QC results from the initiation in 2023, and records of “cross-checks” BVES performed in 2023. Change Order in Q1 of 2024

BVES Response: While BVES does not oppose the substance of Cal Advocates’ recommendation, Energy Safety should reject Cal Advocates’ recommendation and simply require the requested information be added in its WMP Guidelines in the next regularly scheduled WMP Update. This is administratively more efficient, and achieves the same goal.

Cal Advocates Comment #13: (All SMJUs) Energy Safety should act to bridge the risk modeling capability gap between large and small utilities before 2024 WMP Update is due.

BVES Response: Bear Valley does not oppose Cal Advocates’ recommendation to have Energy Safety assist SMJUs in bridging the modeling gap.

Cal Advocates Comment #14: (All SMJUs) Energy Safety should conduct a series of specialized risk modeling workshops focused on bolstering the SMJUs’ capabilities. Before 2024 WMP Update.

BVES Response: Bear Valley does not oppose Cal Advocates’ recommendation.

Cal Advocates Comment #15: (All SMJUs) Energy Safety should initiate an independent third-party review of the risk modeling frameworks and mitigation strategies that are employed or being developed by SMJUs.

BVES Response: Bear Valley does not oppose Cal Advocates’ recommendation.

Cal Advocates Comment #16: (All SMJUs) Energy Safety should closely scrutinize the forecast WMP spending of the SMJUs in order to identify “inefficiencies and improper management” that may lead to high costs.

BVES Response: WMP approval does not approve costs attributable to WMPs, as Pub. Util. Code Section 8386.4(b) requires electrical corporations to seek and prove the legitimacy of all expenditures at a future time in their general rate cases (GRC) or application for cost recovery.

In its mission statement, Energy Safety rightly focuses on wildfire safety:

“To advance long-term utility wildfire safety by developing data-driven, comprehensive utility wildfire mitigation evaluation and compliance criteria, collaborating with local, state and federal agencies, and supporting efforts to improve utility wildfire safety culture and innovation.”

This mission statement does not include “cost” as the driver. Risk reduction is the driver and, for good reason, since public safety is the primary concern. While Energy Safety does consider estimated wildfire mitigation costs, it is not approving the costs for recovery. Scrutinizing SMJU WMP costs to identify “inefficiencies and improper management that may lead to high costs,” as Cal Advocates recommends, could have the unintended consequence of putting cost above public safety, which could have catastrophic outcomes. Therefore, Energy Safety should reject Cal Advocates’ recommendation.

Cal Advocates Comment #17: (All SMJUs) Energy Safety should require each SMJU to revise and resubmit its WMP to identify programs with low benefit-cost ratios and propose alternatives that would reduce the ratepayer burden.

BVES Response: Cal Advocates makes this recommendation without providing any substantive discussion on alternatives available to implement and achieve the desired wildfire risk reduction. Inspection and emerging (experimental) technologies do not have the same sustained life-cycle risk reduction as undergrounding facilities or converting overhead facilities to covered conductors. IOU workshops and WMPs over the past four years have failed to identify the so called “low cost alternatives” that Cal Advocates wishes the SMJUs have. Having the SMJU resubmit their WMPs to “identify programs with low benefit-cost ratios and propose alternatives that would reduce the ratepayer burden “would be an administrative burden on the SMJUs, have little to no value added and considering where the SMJUs are in the 2023 WMP initiative

implementation cycle, it would hardly be useful. Therefore, Energy Safety should reject Cal Advocates' recommendation.

Cal Advocates Comment #18: (All SMJUs) Energy Safety should require each SMJU to propose a list of programs or specific projects that would be suitable for funding with non-ratepayer funds, such as federal grants or state general funds.

BVES Response: While Bear Valley does not oppose Cal Advocates' recommendation, it notes that the funding source for each initiative is identified in the QDR Table 11; hence, the requirement would be duplicative and add another unnecessary administrative burden to the SMJUs with no gain. Therefore, Energy Safety should reject Cal Advocates' recommendation.

Cal Advocates Comment #19: (All SMJUs) Energy Safety should direct each of the SMJUs to identify cost-reduction goals with the aim of bringing their WMP-related costs per customer into line with those of San Diego Gas & Electric Company and Southern California Edison Company.

BVES Response: The goal of the WMP is ultimately to mitigate wildfire risk for the purpose of public safety. By requiring SMJUs to identify cost-reduction goals in their WMP, as Cal Advocates recommends, would certainly have the unintended consequence of shifting focus from public safety risk reduction to cost control and reduction. This is short-sighted and ill-advised. Energy Safety should reject Cal Advocates' recommendation.

Cal Advocates Comment #20: (All SMJUs) Energy Safety should identify key areas where each SMJU may be able to substantially reduce costs, and require the next WMP submissions to implement its proposed alternatives.

BVES Response: BVES is not opposed to Energy Safety seeking to identify key areas where each SMJU may be able to substantially reduce costs. However, Energy Safety should reject the recommendation that Energy Safety require the next WMP submissions to implement its "proposed" alternatives. It is the responsibility of each IOU to develop a WMP with an array of effective wildfire mitigation initiatives and to submit the WMP to Energy Safety for review and approval by Energy Safety and ratification by the Commission. This process allows transparent vetting of each initiative. Each utility is far better positioned to understand its unique service area requirements and to plan and execute the business of safely and reliably running an electric utility. If Energy Safety were to direct SMJUs on which alternatives to implement to "substantially reduce cost" or conversely said, "forgo reducing wildfire risk", Energy Safety's statutory role would be compromised. BVES welcomes discussions regarding alternatives that are equally-effective in reducing wildfire risks and result in reduced costs. Recommendations to go beyond this should be rejected by Energy Safety.

V. Conclusion

BVES recognizes and has responded to the comments provided by CDFW, RCRC, GPI, and Cal Advocates and provided additional clarity. BVES's WMP and its associated documentation is subject to continuous improvement and adaptation with the changing wildfire

mitigation landscape from improved understanding of mitigation efforts and regulatory demands. BVES will continue to fortify its WMP programs especially in the areas of concern identified by public comment, and endeavor to address the issues noted in the next WMP cycle. In furtherance of these goals, BVES remains open to constructive discussions regarding WMP issues with interested parties and stakeholders.

Sincerely,

/s/ Paul Marconi

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