

April 16, 2020

Caroline Thomas Jacobs
Director, Wildfire Safety Division
California Public Utilities Commission
505 Van Ness Avenue, San Francisco, CA 94102
By email: Caroline.Thomasjacobs@cpuc.ca.gov

Re: Bear Valley Electric Service, a division of Golden State Water Company, Reply to Comments on its Wildfire Mitigation Plan

Dear Director Thomas Jacobs,

In accordance with California Public Utilities Commission ("Commission") Resolution WSD-001, Bear Valley Electric Service ("BVES"), a division of Golden State Water Company, submits these reply comments in response to the April 7, 2020 comments of the Public Advocate's Office at the Commission ("Cal Advocates") and the Green Power Institute ("GPI") submitted on BVES' Wildfire Mitigation Plan ("WMP").

I. Reply to Cal Advocates

A. Undergrounding of Ute Lines is Appropriate

According to Cal Advocates:

The WSD should require Bear Valley to provide an analysis of how the Ute Lines undergrounding project will mitigate wildfire risk and why undergrounding is the best option. The WSD should direct Bear Valley to submit this justification of the undergrounding project as part of its testimony supporting the application required in D.19-05-040 to acquire the Ute Lines.¹

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¹ Comments of Cal Advocates, p. 41.

BVES does not oppose Cal Advocates' recommendation. However, BVES does not believe that Cal Advocates' request is necessary given that BVES has already committed to Cal Advocates to provide an analysis of how the Ute Lines undergrounding project will mitigate wildfire risk and why undergrounding is the best option in its future application to transfer the Ute Lines 1 and 2 assets to BVES. Accordingly, since BVES already provided justifications for undergrounding the Ute Lines, BVES does not oppose this recommendation by Cal Advocates.

B. Significantly Higher Costs Experienced by BVES Do Not Justify a Tier 2 Advice Letter Supplement to its WMP

As detailed in BVES' WMP, the costs for the Radford Line Covered Conductor Replacement Project "were significantly higher than the utility had originally planned (\$2,500,000)," and accordingly decided to bid out the project in an effort to save costs.² Based on the unforeseen costs of this one project, Cal Advocates expresses concerns over future resource constraints, recommending that:

The WSD should require Bear Valley to submit a supplement to its 2020 WMP that provides a thorough analysis of resource constraints. Bear Valley should submit this supplement within 30 days via tier 2 advice letter.³

Unforeseen costs related to a single project should not trigger a supplemental filing, particularly when such a filing will not provide additional information. BVES' WMP has already explained why the project was deferred given the significantly higher costs. Furthermore, BVES does not believe this administrative step is necessary since BVES is responsible and accountable for executing its approved WMP. The WMP process has a status update mechanism as well as an "off-ramp" notification mechanism. These built in processes and safeguards should be sufficient to alert the Commission and parties of any issues in executing the WMP, including resource constraints.

³ Comments of Cal Advocates, p. 41.

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² BVES WMP, p. 56.

C. PSPS Notification for Medical Baseline and Critical Care Customers

Cal Advocates expresses concern regarding BVES' Public Safety Power Shut-off ("PSPS") notification protocols. According to Cal Advocates:

The WSD should direct Bear Valley to submit a supplement that describes its specific notification protocols for medical baseline customers or critical care customers before, during, and after an emergency or de-energization event. Bear Valley should also describe any plans to improve its notification protocols. Bear Valley should submit this information within 30 days as part of the tier 2 advice letter submission noted previously.⁴

As described above, BVES should not have to supplement its WMP to describe resource constraints. With respect to Cal Advocates' recommendation regarding PSPS notification protocols, however, BVES does not oppose supplementing its WMP, but recommends this supplement be provided via Tier 1 advice letter.

BVES is in the process of updating its critical care/medical baseline customers' email addresses as an additional means of contact. Currently, BVES' Interactive Voice Response ("IVR") system has the ability to call all critical care/medical baseline customers before, during, and after any significant event informing them of critical information. BVES will also immediately notify its customers by posting information on its website and Facebook page.

Additionally, BVES is improving its WMP outreach to all customers, including medical baseline and critical care customers by implementing a mass texting option that includes two-way texting. Later this year, BVES will be sending a postcard/bi-fold in multiple languages to all customers regarding its WMP and PSPS plans. At the end of the wildfire season BVES will conduct a survey regarding its WMP/PSPS outreach to gauge its effectiveness. These efforts can be described in greater detail in a Tier 1 advice letter supplement, should the WSD concur.

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⁴ Comments of Cal Advocates, pp. 42-43.

D. There is No Feasible Alternative to the Radford Line Covered Conductor Project

Cal Advocates recommends that BVES "present any alternative or back-up plans [to covering the Radford Line] to show that it has a thorough, feasible plan to mitigate wildfire risks." BVES' November 20, 2019 Advice Letter 374-E describes the mitigation measures being taken to mitigate wildfire risk from the Radford Line. However, there are simply no realistic alternatives to covering the Radford Line. Re-routing the line or undergrounding the line would be extremely costly and not practical.

II. Reply to GPI

A. BVES is Not Required to Conduct a Risk Bowtie Analysis

GPI recognizes that BVES is not subject to RAMP/S-MAP filing requirements and compliments BVES on its "thorough summary of their final RSE values and how these values compare across WMP mitigation activities." However, GPI expresses concerns that BVES did not "perform a risk bowtie analysis" and does not have "any clear plans to do so in the future." BVES objects to GPI's concerns, particularly as BVES followed the risk framework outlined in D.19-04-020. Accordingly, BVES' WMP is compliant with applicable risk analyses.

B. Vegetation Management Efforts Account for Vegetation Residue and Fuel Management and Reduction

According to GPI:

BVES does not include any [Vegetation Management] VM residue or fuel management and reduction plans, and only goes so far as to state that "Fuel management and reduction of "slash" from vegetation management activities have been incorporated into the utility's ongoing and newly proposed vegetation management initiatives as describes in Table 25 (BVES 2020 revised WMP, pg.

⁵ Comments of Cal Advocates, p. 56.

⁶ Comments of GPI, p. 5.

⁷ Comments of GPI, p. 5.

168)." However, there are no additional details on how biomass residues are managed.⁸

GPI fails to account for the fact that BVES contracts out virtually all of its vegetation management work. Other than rare and very small-scale occasions, BVES crews do not perform tree trimming or removal. Instead, this work is almost entirely contracted out to a third party VM services expert. BVES's VM services contractor is a large company with robust VM residue and fuel management and reduction plans.

Once trees are trimmed, if on private property, the slash or mulch is first offered to the property owner by the VM contractor. If the owner does not want it, it is removed to a disposal yard, an authorized landfill, other private property in which the property owner uses for ground cover, or green waste dumps. The specific disposal method or waste site depend on the VM contractor's decision, which is based on the location of trimming and disposal costs.

C. Microgrid Activities Should be Addressed in R.19-09-009

GPI expresses concern that BVES does "not reference any activities regarding microgrids." However, in Section 5.3.3.1 of BVES' WMP, BVES describes its plans to "construct an energy storage project ... connected to the Bear Valley Solar Energy Project (BVSEP)." The proposed energy storage project, coupled with the BVSEP, will provide some microgrid capability to the BVES service area. Additionally, Section 5.3.3.1 of BVES' WMP provides BVES' plans for developing microgrids for critical infrastructure. Microgrid strategies and best paths forward are also the subject of a separate Commission proceeding, Rulemaking 19-09-009 – Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339. BVES recommends that specific microgrid efforts be addressed in R.19-09-009 to minimize duplicative efforts, enhance process efficiency, and minimize confusion.

⁸ Comments of GPI, p. 16.

⁹ Comments of GPI, p. 18.

¹⁰ BVES WMP, p. 53. The BVSEP project is the subject of Application 19-03-008.

¹¹ BVES WMP, p. 53.

D. Asset Replacement Thresholds

GPI states that BVES does "not provide information regarding whether [its] asset replacement schedule is a run-to-condition or run-to-failure approach." BVES' maintenance program utilizes a "run-to-condition" approach for asset replacement.

III. Conclusion

BVES appreciates this opportunity to respond to comments submitted by Cal Advocates and GPI. BVES looks forward to working collaboratively with the Commission and the public to best implement mitigation measures to reduce the risk of wildfires.

| Sincerely, | | |
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| <u>/s/</u> | | |

Nguyen Quan Manager Regulatory Affairs Bear Valley Electric Service, a division of Golden State Water Company 630 East Foothill Boulevard San Dimas, CA 91773

Telephone: (909) 394-3600 Email: nquan@gswater.com

cc: Service List for Rulemaking R.18-10-007 WildfireSafetyDivision@cpuc.ca.gov

Mike.Wilson@fire.ca.gov

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¹² GPI Comments, p. 19.