

## PUBLIC UTILITIES COMMISSION

300 Capital Mall, 5th Floor  
SACRAMENTO, CA 95814



May 4, 2021

Paul Marconi  
President, Treasurer and Secretary  
Bear Valley Electric Service, Inc.  
Paul.Marconi@bvesinc.com

**Subject: The Wildfire Safety Division Issuance of Revision Notice for Bear Valley Electric Service's 2021 Wildfire Mitigation Plan Update and Notice of Extension of WSD Determination Per Public Utilities Code 8389.3(a)**

To Paul Marconi,

Attached is a Revision Notice issued in conjunction with the Wildfire Safety Division's (WSD) review of Bear Valley Electric Service's (BVES) 2021 Wildfire Mitigation Plan (WMP) Update. This Revision Notice outlines critical issues that must be addressed by BVES before the WSD can issue a determination on the BVES 2021 WMP Update. For each identified critical issue, the WSD sets forth the remedy that BVES must employ.

By June 3, 2021, BVES must submit via email to the Director of the Division a Revision Notice Response resolving the identified critical issues. The Revision Notice Response must be submitted to [WildfireSafetyDivision@cpuc.ca.gov](mailto:WildfireSafetyDivision@cpuc.ca.gov) and distributed to the service list of Rulemaking 18-10-007. Parties will have seven days for comments and six days for reply comments, due on June 10, 2021, and June 16, 2021, respectively.<sup>1</sup>

The WSD finds the critical issues to be of significant enough importance such that an extension of the three-month statutory deadline is necessary for the WSD to adequately determine that BVES' 2021 WMP Update satisfies the information requirements as set out in WSD-011 and, when implemented, will sufficiently reduce utility-related wildfire risk and impacts to public safety.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Thomas".

Caroline Thomas Jacobs  
Director, Wildfire Safety Division  
California Public Utilities Commission

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<sup>1</sup> WSD's April 27, 2021 Action Statement Extending Deadline set four days for reply comments. The reply comment deadline has been extended to six days to provide stakeholders sufficient working days to address opening comments.

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 4, 2021

## **Wildfire Safety Division's Revision Notice for Bear Valley Electric Service, Inc.'s 2021 Wildfire Mitigation Plan Update**

### **1. INTRODUCTION**

Pursuant to Public Utilities Code (Pub. Util. Code) Section 8386.3(a), before approval of an electrical corporation's (hereafter utility) Wildfire Mitigation Plan (WMP), the Wildfire Safety Division (WSD) may require modification of the WMP. This Revision Notice provides notice to Bear Valley Electrical Service, Inc. (BVES) that the WSD requires the utility to remedy the critical issues set forth in Table 1, below, before the WSD can consider issuing an approval of its 2021 WMP Update.

Within 30 days of issuance of this Revision Notice, BVES must submit via email to the Director of the Division a Revision Notice Response resolving the identified critical issues. The Revision Notice Response must be submitted to [WildfireSafetyDivision@cpuc.ca.gov](mailto:WildfireSafetyDivision@cpuc.ca.gov) with service to the service list of Rulemaking 18-10-007. The WSD sets forth below in Table 1 the information BVES must provide or the remedy that BVES must employ for each identified critical issue.

Remedies require BVES to submit a revised version of its 2021 WMP Update. BVES must provide a single updated WMP and auxiliary Excel file that incorporates all required changes across all critical issues listed below. For the revised version of the 2021 WMP Update, BVES must provide both a redlined and clean version of this document. For the updated auxiliary Excel file, BVES must provide a clean version of the file.

Stakeholders may submit comments on BVES's Revision Notice Response within seven days. Reply comments may be submitted within six days following submission of comments.<sup>1</sup> All comments must be submitted to [WildfireSafetyDivision@cpuc.ca.gov](mailto:WildfireSafetyDivision@cpuc.ca.gov) with service to the service list of Rulemaking 18-10-007.

Pursuant to Pub. Util. Code 8386.3(a), the WSD must issue a written determination on a utility's WMP or WMP Update within three months of submission, unless the WSD makes a written determination, including reasons supporting the determination, that the three-month deadline cannot be met. This Revision Notice serves as the WSD's notice of an extension of the three-month deadline to issue its determination on BVES's 2021 WMP Update. In order to provide BVES sufficient time to address the critical issues set forth in Table 1 and revise its 2021 WMP Update accordingly, the WSD herewith provides BVES 30 days to submit its Revision Notice

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<sup>1</sup> WSD's April 27, 2021 Action Statement Extending Deadline set four days for reply comments. The reply comment deadline has been extended to six days to provide stakeholders sufficient working days to address opening comments.

Response. The 30-day response time will necessarily delay the WSD’s evaluation of BVES’s 2021 WMP Update. In addition, the WSD has granted stakeholders the opportunity to provide comments and reply comments on BVES’s Revision Notice Response, further delaying the WSD’s evaluation. The WSD finds the critical issues to be of significant enough importance such that an extension of the three-month statutory deadline is necessary for the WSD to adequately determine that BVES’s 2021 WMP Update satisfies the information requirements as set out in WSD-011 and, when implemented, will sufficiently reduce wildfire risk and impacts to public safety.

## 2. SUMMARY OF CRITICAL ISSUES AND REQUIRED REMEDIES

Table 1 provides a high-level summary of the critical issues associated with BVES’s 2021 WMP Update and identifies associated remedies sought by the WSD to address each critical issue. Further information on each of these critical issues is provided in Section 3 of this document.

*Table 1: Summary of Critical Issues and Required Remedies*

<b>Critical Issue No.</b>	<b>Critical Issue Title</b>	<b>Critical Issue Explanation</b>	<b>Summary of Remedy Sought by WSD</b>
BVES-01	Incomplete Section 7.3, “Detailed Wildfire Mitigation Programs”	BVES’s 2021 WMP Update does not comply with the 2021 WMP Guidelines. BVES has defined and labeled initiatives in each of the 10 categories under Section 7.3 using its own system. BVES’s departure from the 2021 WMP Guidelines constitutes a failure of the “completeness” requirement. <sup>2</sup>	BVES shall submit a revised Section 7.3 that adheres to the 2021 WMP Guidelines using the WSD-defined initiatives and labeling.
BVES-02	Inappropriate Aggregation of Expenditure Data	Resolution WSD-002 Condition Guidance-5 requires utilities to report spend on each individual initiative. BVES details 51 initiatives in the text of its 2021 WMP Update. However, in Table 12, BVES aggregates its expenditures, reporting expenditures for just 25 initiatives.	BVES shall submit a revised Table 12 in which expenditures are reported for each individual initiative identified in its 2021 WMP Update.

<sup>2</sup> Resolution WSD-011 Attachment 3 p. 5

### 3. CRITICAL ISSUES AND ASSOCIATED REMEDIES

#### **BVES-01**

Incomplete Section 7.3, “Detailed Wildfire Mitigation Programs”

#### **Critical Issue Description**

BVES’s 2021 WMP Update does not comply with the 2021 WMP Guidelines. BVES defines and labels initiatives in each of the 10 categories under Section 7.3 using its own system. BVES’s departure from the 2021 WMP Guidelines constitutes a failure of the “completeness” requirement.<sup>3</sup>

#### **Background**

For Section 7 of the 2021 WMP Update, the 2021 WMP Guidelines require an electrical corporation to discuss its wildfire mitigation strategy. Section 7.3 requires utilities to “Report detailed information for each initiative activity in which spending was above \$0 over the course of the current WMP cycle (2020-2022).”<sup>4</sup> The Guidelines then list 86 initiatives<sup>5</sup> for which the utilities are to “report detailed information.”<sup>6</sup> These initiatives are clearly defined<sup>7</sup> in the Guidelines and are labeled 7.3.1.1, 7.3.1.2, and so on. BVES’s 2021 WMP Update does not comply with these Guidelines. BVES instead defines and labels initiatives in each category under Section 7.3 using its own system.

To remedy this issue, the WSD sent a data request (DR), “WSD Ryan Arba Email Data Request 03242021” (WSD\_03242021), on March 24, 2021 requesting:

- 1) Populate columns F-I (highlighted in green) for each WMP initiative (rows 8-93) in the attached excel workbook titled “BVES 2021 Table 12 DR TEMPLATE 20210324.” Do not deviate from the data validation list in columns F and H. For column J “Spend Aggregation,” the orange filled cells denote initiatives for which spend is reported; list all WMP initiatives that are included in those spend totals.

The columns referred to in this DR are shown in Figure 1, below.

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<sup>3</sup> Resolution WSD-011 Attachment 3 p. 5

<sup>4</sup> 2021 WMP Guidelines p. 43

<sup>5</sup> 2021 WMP Guidelines p. 43-46

<sup>6</sup> 2021 WMP Guidelines p. 43

<sup>7</sup> 2021 WMP Guidelines p. 50-58

Figure 1: Columns from DR WSD\_03242021

F	G	H	I	J
Does BVES have a program that addresses this initiative?		Does BVES anticipate developing a program that addresses this initiative?		Spend Aggregation
Yes/No	If yes, where in the WMP is this addressed? (initiative ID (e.g., A, B, etc.) and p. #)	Yes/ Exploring Possibility/ No	If so, when? (Quarter and Year)	List all initiative IDs included in spend aggregation (orange cells)

BVES responded to DR WSD\_03242021 on March 29, 2021. BVES confirmed that it had programs for 64 of the 86 WSD-defined initiatives.<sup>8</sup> However, in its 2021 WMP Update, BVES details only 51 initiatives and provides expenditure data for just 25 initiatives in Table 12. BVES’s response to DR WSD\_03242021 does assist the WSD in better understanding the information reported within BVES’s 2021 WMP Update; nevertheless, BVES’s 2021 WMP Update does not adhere to the Guidelines. Adherence to the WMP Guidelines is of vital importance to ensure the structure and consistency of a WMP and facilitate a comprehensive review in the limited timeframe provided to do so. The 2021 WMP Guidelines discuss this importance, as it states, “Templates help WSD staff more easily uncover relevant supporting information and facilitate comparison across utilities. Utilities will organize their annual WMP Updates based on narrative sections and through additional sub-headings.”<sup>9</sup>

BVES’s departure from the 2021 WMP Guidelines constitutes a failure of the “completeness” requirement.<sup>10</sup> This failure is compounded by the fact that BVES’s 2020 WMP submission was also incorrectly filed on multiple occasions and failed the “completeness” requirement. This fact is discussed in Draft Resolution WSD-010, dated July 22, 2020: “BVES failed to submit a comprehensive and complete WMP on two separate occasions: first on February 7, 2020, where BVES submitted its WMP using the 2019 format, therefore failing to include required information, and again on March 6, 2020, where BVES submitted an incorrect WMP that was the subject of the BVES Errata submitted on May 22, 2020.”<sup>11</sup> BVES’s 2020 failure of the “completeness” requirement was confirmed in “Wildfire Safety Division Final Action Statement on Bear Valley Electric Service, Inc.’s 2020 Wildfire Mitigation Plan,” dated August 26, 2020, which denied BVES’s 2020 WMP and ordered BVES to refile within 60 days.

Continued disregard for and failure to adhere to the WMP Guidelines is not acceptable. Through the remedy identified in the table below, the WSD expects BVES to sufficiently address this critical issue and provide a complete 2021 WMP Update filing. Failure to do so may result in the denial of BVES’s 2021 WMP Update.

<sup>8</sup> BVES confirmed this fact by answering YES to column F, “Does BVES have a program that addresses this initiative” in Figure 1.

<sup>9</sup> 2021 WMP Guidelines p. 3

<sup>10</sup> Resolution WSD-011, Attachment 3, p. 5

<sup>11</sup> Draft Resolution WSD-010 p. 5

Additionally, DR WSD\_03242021, Column G (see Figure 1), asked BVES to identify where in the 2021 WMP Update the 2021 Guidelines-defined initiatives are discussed. In response to Column G, BVES provided only section number references that do not provide sufficient detail to identify the relevant content. It is the WSD’s expectation that when responding to this Revision Notice BVES avoid such cross-referencing, to the extent possible, and provide page numbers in addition to section numbers for all references.

**Required Remedies**

Critical Issue No.	Critical Issue Title	Required Remedies
BVES-01	Incomplete Section 7.3	BVES shall: <ol style="list-style-type: none"> <li>1. Submit a revised Section 7.3 that adheres to the 2021 WMP Guidelines by reporting “detailed information for each initiative activity in which spending was above \$0 over the course of the current WMP cycle (2020-2022)”<sup>12</sup> using the WSD-defined initiatives and numbering. See the 2021 WMP Guidelines, pages 43-46, for additional instructions and formatting requirements.</li> <li>2. In the revised Section 7.3, include the relevant information in the appropriate section; avoid cross-referencing other WMP sections, appendices, and external documents to fulfill the “completeness” requirement.</li> </ol>

**BVES-02**

Inappropriate Aggregation of Expenditure Data

**Critical Issue Description**

Resolution WSD-002 Condition Guidance-5 requires utilities to report spend on each individual initiative. BVES details 51 initiatives in the text of its 2021 WMP Update. However, in Table 12, BVES aggregates its spend, reporting spend for just 25 initiatives.

**Background**

BVES details 51 initiatives in the text of its 2021 WMP Update. However, in Table 12, BVES aggregates its spend, reporting spend for just 25 initiatives. This aggregation was confirmed by DR “WSD Ryan Arba Email Data Request 03242021” (WSD\_03242021) sent by the WSD on

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<sup>12</sup> 2021 WMP Guidelines p. 43

March 24, 2021, in which the WSD directed BVES to “List all initiative IDs included in spend aggregation.”<sup>13</sup>

Aggregation of expenditures is, again, an issue that carries over from the WSD’s review of the 2020 WMPs. As a result of the 2020 WMP review, Resolution WSD-002 Condition Guidance-5 (Class B), subpart ii, required each electrical corporation to “Report its spend on each individual initiative.”<sup>14</sup> On July 13, 2020, BVES sent the WSD a letter in accordance with Ordering Paragraph 11 of Resolution WSD-002, in which it stated that, “BVES does not have any wildfire mitigation measures in its Wildfire Mitigation Plan that cannot be disaggregated.”<sup>15</sup>

Although being clearly instructed in Resolution WSD-002 to report expenditure on each individual initiative and BVES’s subsequent claims that all its WMP mitigation measures could be disaggregated, BVES has failed to disaggregate its mitigation measures and “Report its spend on each individual initiative.”<sup>16</sup>

### Required Remedies

Critical Issue No.	Critical Issue Title	Required Remedies
BVES-02	Inappropriate Aggregation of Expenditure Data	BVES shall submit a revised Table 12 in which expenditures are reported for each individual initiative identified in its 2021 WMP Update.

## 4. CONCLUSION

Pursuant to Pub. Util. Code Section 8386.3(a), before approval of an electrical corporation’s WMP, the WSD may require modification of the WMP. This Revision Notice provides notice to BVES that the WSD requires the utility to remedy the critical issues set forth in Table 1 before the WSD can consider issuing an approval of its 2021 WMP Update. Remedies require BVES to submit a revised version of its 2021 WMP Update. BVES must provide a single updated WMP and auxiliary Excel file that incorporates all required changes across all critical issues listed above. For the revised version of the 2021 WMP Update, BVES must provide both a redlined and clean version of this document. For the updated auxiliary Excel file, BVES must provide a

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<sup>13</sup> See column J in Figure 1

<sup>14</sup> Resolution WSD-002 p. 24

<sup>15</sup> Letter titled “Bear Valley Electric Service, Inc. (U 913-E) List of Aggregated Wildfire Mitigation Measures” sent to [wildfiresafetydivision@cpuc.ca.gov](mailto:wildfiresafetydivision@cpuc.ca.gov) on July 13, 2020.

<sup>16</sup> Resolution WSD-002 p. 24

clean version of the file. BVES must submit via email to the Director of the Division a Revision Notice Response resolving the identified critical issues. The Revision Notice Response must be submitted to [WildfireSafetyDivision@cpuc.ca.gov](mailto:WildfireSafetyDivision@cpuc.ca.gov) with service to the service list of Rulemaking 18-10-007. In order to provide BVES sufficient time to respond and revise its 2021 WMP Update accordingly, the WSD has provided BVES 30 days to submit its Revision Notice Response. The dates for this Revision Notice are:

Revision Notice issued by the WSD:	May 4, 2021
BVES's Revision Notice Response due:	June 3, 2021
Party Comments due:	June 10, 2021
Reply Comments due:	June 16, 2021



Caroline Thomas Jacobs  
Director, Wildfire Safety Division  
California Public Utilities Commission