

November 2, 2020

Wildfire Safety Division
California Public Utilities Commission
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RE: Comments of the California Association of Small and Multi-Jurisdictional Utilities on Draft Resolution WSD-011

In accordance with Rule 14.5 of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure and the October 12, 2020 Comment Letter for Draft Resolution WSD-011, Bear Valley Electric Service, Inc. (“BVES”), Liberty Utilities (CalPeco Electric) LLC (“Liberty CalPeco”), and PacifiCorp, d.b.a. Pacific Power (“PacifiCorp”) (collectively, the California Association of Small and Multi-Jurisdictional Utilities (“CASMU”)), submit these comments on Draft Resolution WSD-002. As described in greater detail below, CASMU recommends that sufficient time be provided to allow utilities to modify and incorporate any substantial new reporting requirements, particularly given the resource constraints of the CASMU members.

I. Introduction and Background

Although the CASMU members are electric utilities, they differ significantly from California’s largest investor-owned utilities, Pacific Gas and Electric Company, Southern California Edison Company (“SCE”), and San Diego Gas & Electric Company (collectively, the “Large IOUs”). The CASMU utilities are significantly smaller than the Large IOUs. As described below, each CASMU member has less than 50,000 customers, and disproportionate administrative costs are a more significant burden for a smaller number of customers.

BVES is a small electric utility in the Big Bear Lake recreational area of the San Bernardino Mountains located about 80 miles east of Los Angeles that provides electric distribution service to 22,430 residential customers in a resort community with a mix of approximately 40% full-time and 60% part-time residents. Its service area also includes 1,519

commercial, industrial and public-authority customers, including two ski resorts and the local waste-water treatment facility. BVES' service territory is connected to the California Independent System Operator ("CAISO") via SCE's system.

Liberty CalPeco serves approximately 49,000 electric customers in California, in and around the Lake Tahoe Basin. Its service territory is geographically compact and generally encompasses the western portions of the Lake Tahoe Basin. Liberty CalPeco's customers are located in portions of Placer, El Dorado, Nevada, Sierra, Plumas, Mono, and Alpine Counties. Almost 80% of Liberty Utilities' customers are located in the Lake Tahoe Basin. The biggest population center is the City of South Lake Tahoe. The Liberty CalPeco service territory extends from Portola in the north to Markleeville and Topaz Lake in the south.

PacifiCorp serves approximately 45,000 retail customers in the northernmost areas of California.¹ PacifiCorp's California service territory includes most of the area north of Shasta Lake to the Oregon border. PacifiCorp's California customers and its electric facilities are geographically dispersed, with only approximately four customers per square mile. The main population centers in PacifiCorp's California service territory are Crescent City, Yreka, and Mount Shasta.

Utility planning efforts as well as participation in Commission proceedings is conducted and handled by a significantly smaller number of staff for the CASMU members than at the Large IOUs. For example, BVES currently has 52 employees and approximately 24,000 customers, and Liberty CalPeco has approximately 100 employees and approximately 49,000 customers. Compared to SCE's 12,720 employees for its 5.15 million customers,² BVES and Liberty CalPeco, respectively, have approximately 0.4% and 0.8% of the workforce to meet any Wildfire Mitigation Plan- ("WMP") related requirements and 0.5% and 1% of the customer base from which to recover administrative costs. PacifiCorp, with approximately 45,000 California

¹ PacifiCorp is a multi-jurisdictional utility providing electric retail service to approximately 1.8 million customers in six western states (including California, Idaho, Oregon, Utah, Washington and Wyoming). PacifiCorp does not operate within the CAISO balancing authority area, but rather operates two balancing authority areas that encompass its six-state service territory.

² These numbers are based on SCE's 2019 Financial & Statistical Report, available at <https://www.edison.com/content/dam/eix/documents/investors/sec-filings-financials/2019-financial-statistical-report.pdf>.

customers, has approximately 0.9% of SCE’s customer base from which to recover administrative costs.

The Commission has traditionally recognized the significant differences between the CASMU utilities and the Large IOUs and has routinely found that “the small size of [CASMU members] and the nature of their operations” make it inappropriate and burdensome for the Commission to impose certain requirements on CASMU members or require that the Commission allow CASMU members to take a more limited approach than that required for the Large IOUs.³ The Commission has noted that imposing certain planning requirements on CASMU members “would only impose costs and inefficiencies on these small IOUs.”⁴ Similarly, the Commission has recognized that CASMU members may be at different stages than the Large IOUs with regard to infrastructure deployment or other initiatives and so meeting certain standards “could be overly burdensome on [a CASMU member’s] small ratepayer base.”⁵

As described more fully below, CASMU believes that these differences from the Large IOUs, which have been historically recognized and addressed by the Commission, justify that the Wildfire Safety Division (“WSD”) provide sufficient time and flexibility to ensure that the CASMU utilities can incorporate and address new requirements without undue burden.

II. Recommended Modifications to Draft Resolution WSD-011

a. Sufficient Time Must be Provided to Utilities Before Implementing Substantially New Requirements

The CASMU members are continuing to implement the data schema requirements following the feedback on their 2020 WMPs. To the extent that new requirements are imposed, as outlined in Draft Resolution WSD-011, such requirements will require utilities to adapt, modify, and implement new processes to compile, analyze, and report data to meet the new requirements. This is particularly true when systemic changes to reporting requirements arise

³ See, e.g., D.09-12-0465, at 2 (exempting CASMU members from certain smart grid-related requirements).

⁴ D.09-12-046, at 27; see also D.08-05-028 (granting CASMU members the ability to file less complex annual procurement plans or to use the integrated resource plans they file in other states).

⁵ D.09-12-046, at 50; see also D.04-02-044 and D.03-07-011 (decisions granting Sierra Pacific Power Company, now Liberty Utilities, and PacifiCorp, an exemption from filing long-term procurement plans).

from substantially new or reconfigured requirements imposed by the WSD and/or the Wildfire Safety Advisory Board (“WSAB”). CASMU requests that when implementing significant changes, such as those that will require completely new assembly of complex data, that adequate time is built in before such requirements are triggered to allow utilities to modify or retool their reporting processes to comply with such requirements. As outlined above, given the more limited resources of the CASMU members, as well as the disproportionate burdens that fall to CASMU members’ customers when CASMU members implement new requirements, it is especially important to build in sufficient time to allow the CASMU members and their more limited staffs to comply with new requirements. Not only will this help ensure that the best and most relevant data can be compiled and reported, but it will help ensure that customers are not overly burdened.

III. Conclusion

CASMU appreciates this opportunity to comment on Draft Resolution WSD-011.

Respectfully Submitted,



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Service List for R.18-10-007