



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Liberty Utilities (CalPeco Electric) LLC (U-933 E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Daniel W Marsh
 Phone #: 562-299-5104
 E-mail: Dan.Marsh@libertyutilities.com
 E-mail Disposition Notice to: Dan.Marsh@libertyutilities.com

EXPLANATION OF UTILITY TYPE
 ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 133-E

Tier Designation: 3

Subject of AL: Report on Possible Wildfire Mitigation Plan Off Ramps

Keywords (choose from CPUC listing): Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.19-05-036

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 1/1/20

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Dan Marsh
Title: Manager, Rates and Regulatory Affairs
Utility Name: Liberty Utilities (CalPeco Electric) LLC
Address: 9750 Washburn Road
City: Downey State: California
Telephone (xxx) xxx-xxxx: 562-299-5104
Facsimile (xxx) xxx-xxxx:
Email: Dan.Marsh@libertyutilities.com

Name:
Title:
Utility Name:
Address:
City: State: Wyoming
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



Liberty Utilities (CalPeco Electric) LLC
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December 2, 2019

VIA EMAIL AND UPS

**Advice Letter No. 133-E
(U 933-E)**

California Public Utilities Commission
Energy Division, Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

SUBJECT: Report on Possible Wildfire Mitigation Plan Off Ramps

I. PURPOSE

Pursuant to Ordering Paragraph 1 of California Public Utilities Commission (“CPUC” or “Commission”) Decision (“D.”) 19-05-036, issued June 3, 2019, Liberty Utilities (CalPeco Electric) LLC (“Liberty CalPeco”) submits this Report on Possible Wildfire Mitigation Plan (“WMP”) Off Ramps describing concerns about the effectiveness of programs in the WMP as currently defined and applied. Specifically, this report proposes modifications, reductions, increases, and/or the ending of mitigation measures detailed in Liberty CalPeco’s WMP.

II. BACKGROUND

On September 21, 2018, California Governor Edmund G. Brown, Jr. signed Senate Bill (“SB”) 901 into law to support adaptation and resilience to increasingly frequent and extreme wildfires and to better prepare the state for wildfire prevention and response. SB 901 established plans and protocols for WMPs and cost recovery standards for California electric utilities to be reviewed by the CPUC.

On October 25, 2018, the Commission issued R.18-10-007 to implement the provisions of SB 901 related to electric utility wildfire mitigation planning. Section 8386 of the California Public Utilities Code requires all California electric utilities subject to Commission oversight to prepare and submit WMPs that describe the utilities’ plans to prevent, combat, and respond to wildfires within their respective service territories. Section 8386 details the required contents for the fire mitigation plans and prescribes a three-month window, starting on the issuance date of R.18-10-007, for the Commission to approve the WMPs for all electric utilities under its jurisdiction.¹ In

¹ See California Public Utilities Code Section 8386.

compliance with the legislation, Liberty CalPeco submitted its 2019 Wildfire Mitigation Plan in February 2019. On May 30, 2019, the Commission issued D.19-05-040, authorizing the plan.

Ordering Paragraph 1 of D.19-05-036 requires Liberty CalPeco to file an advice letter to propose modifications, reductions, increases, and/or the ending of mitigation measures detailed in its WMP. This report describes each concern, contains a specific proposal for each action, including, if applicable, a recommendation to modify, reduce, increase, or end the specific mitigation identified, and includes any expert or other authoritative information available on the efficacy of the mitigation, as applicable.²

III. PROPOSED MODIFICATIONS TO LIBERTY CALPECO'S WMP

Liberty CalPeco requires a robust geographic information system ("GIS") to properly analyze its current and proposed WMP programs. Its current GIS was not designed with the necessary functionality to capture the granular data required for some WMP initiatives. Specifically, Liberty CalPeco will increase investment in its GIS, in addition to upgrades described in the WMP, to enable the system to track a more complete inventory of assets with an initial primary focus on: (1) Department of Forestry and Fire Protection ("CAL FIRE") exempt and non-exempt hardware; (2) tree service attachments; and 3) wire upgrades.

To develop a detailed WMP program proposal that includes cost estimates, program duration, and the ability to provide progress reports, Liberty CalPeco will acquire detailed GIS inventory that provides the ability to identify the assets, locations, and number of miles or quantity of each asset. Liberty CalPeco has begun developing a scope of work for asset inventory and will engage a contractor with the qualifications and resources to collect the data. Items to inventory include, but are not limited to: CAL FIRE subject pole hardware (switches, fuses, transformers, lightning arrestors, line junctions, clamps, etc.), tree services, gray wire, copper wire, and open-wire secondary.

When upgrading the GIS, Liberty CalPeco will focus on adding/updating relevant fields so they can be used to track and evaluate WMP programs. Liberty CalPeco believes this approach is necessary to develop, execute, and measure the success of these programs. An upgraded GIS will provide benefits to Liberty CalPeco's WMP program in the following areas.

A. CAL FIRE Hardware Program

Liberty CalPeco's WMP includes a nine-year fuse replacement program with a goal of replacing approximately 13,500 conventional fuses with current limiting fuses. Conventional fuses, when operating, expel hot particles and gases, which can trigger ignitions. In contrast, current limiting fuses expel no materials and limit available fault current.

² See D.19-05-036.

Liberty CalPeco's WMP fuse replacement program does not address other types of pole hardware which can also pose fire risks. Liberty CalPeco will increase spending on pole hardware replacements to include non-exempt hardware listed in Public Resources Code (PRC) 4292. PRC 4292 requires utilities to "...maintain around and adjacent to any pole or tower which supports a switch, fuse, transformer, lightning arrestor, line junction, or dead end or corner pole, a firebreak which consists of a clearing of not less than 10 feet in each direction from the outer circumference of such pole or tower."³ CAL FIRE's *Power Line Fire Prevention Field Guide* defines non-exempt hardware, from PRC 4292 clearance provisions, as hardware that can spark and is a fire risk. Conversely, the guide defines exempt hardware as hardware, that when properly installed, presents no fire risk.⁴

Liberty CalPeco's GIS system currently contains data for transformers, fuses, and poles, but it does not map data for all pole hardware listed in PRC 4292. Liberty CalPeco will update its GIS to provide the capability to locate non-exempt (subject) poles, describe what hardware is on the poles, and identify whether the hardware is PRC 4292 exempt or non-exempt. Liberty CalPeco will build a program that includes cost estimates, quantity and type of hardware, implementation timeline, and querying capabilities for reporting purposes.

B. Tree Service Attachments

Liberty CalPeco's WMP includes a program to remove 60 tree service attachments per year. Liberty CalPeco estimates its service territory contains approximately 6,200 tree attachments. The estimate was derived from a variety of inspections, capital improvement programs, and limited GIS data. The WMP estimates annual costs of \$420,000 to remove 60 tree attachments per year. More robust GIS capabilities will increase the accuracy of the tree attachment count, ultimately increasing the accuracy of the projected cost of tree attachment removal.

Liberty CalPeco will update its GIS to more accurately reflect the location of each tree service attachment. Locating each tree attachment will provide the opportunity to prioritize removal based on High Fire-Threat District ("HFTD") information. A more accurate tree attachment count will allow for more effective evaluation of scope, scale, cost, and effectiveness of the tree attachment program. Liberty CalPeco will use the new information to determine whether to adjust the amount of attachments per year, and the scale of the potential increase.

C. Wire Upgrades

Liberty CalPeco did not include a wire upgrade program in its 2019 WMP, but has identified additional opportunities to reduce fire risk by upgrading old, potentially dangerous wire types with more modern, reliable, and fire-safe wire types. Gray service wire, copper primary wire, and open-wire secondary are examples of wire types that Liberty CalPeco will update as part of this program.

³ See PRC 4292.

⁴ See CAL FIRE Power Line Fire Prevention Field Guide.

Gray wire and open-wire secondary will be replaced with standard, insulated polyethylene (PE) triplex secondary/service wire. Copper primary wire will be replaced with either ACSR, AA, or covered conductor when aligned with Liberty CalPeco's covered conductor program. These type of upgrades are consistent with industry standards and best practices.

An updated GIS will help identify existing wire types and locations. Once types and locations are determined, estimations for cost, program duration, prioritization, and progress tracking will be developed.

TIER DESIGNATION AND EFFECTIVE DATE

This advice letter is submitted with a Tier 3 designation. Liberty CalPeco requests an effective date of January 1, 2020.

PROTESTS

Protests of this Advice Letter may be sent by letter via U.S. mail, by facsimile, or by email, any of which must be received no later than December 22, 2019, 20 days after the filing date of this Advice Letter. There are no restrictions on whom may submit a protest, but the protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. Protests should be mailed to:

California Public Utilities Commission
Energy Division, Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298
Facsimile: (415) 703-2200
Email: edtariffunit@cpuc.ca.gov

The protest should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty Utilities (CalPeco Electric) LLC at the address shown below on the same date it is mailed or delivered to the Commission:

Liberty Utilities (CalPeco Electric) LLC
Attn: Advice Letter Protests
933 Eloise Avenue
South Lake Tahoe, CA 96150
Fax: (530) 544-4811
Email: Dan.Marsh@libertyutilities.com

NOTICE

In accordance with General Order 96-B, Section 4.3, a copy of this Advice Letter is being sent electronically to parties shown on the attached service list. This advice letter will also be served on the service list for R.18-10-007.

If additional information is required, please do not hesitate to contact me.

Respectfully submitted,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

/s/ Daniel W. Marsh

Daniel W. Marsh

Liberty Utilities (CalPeco Electric) LLC

Manager, Rates and Regulatory Affairs

Phone: (562) 299-5104

Email: Dan.Marsh@libertyutilities.com

cc: Liberty CalPeco General Order 96-B Service List
R.18-10-007 Service List

Liberty Utilities (CalPeco Electric) LLC
Advice Letter Filing Service List
General Order 96-B, Section 4.3

VIA EMAIL

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