



Liberty Utilities (CalPeco Electric) LLC
933 Eloise Avenue
South Lake Tahoe, CA 96150
Tel: 800-782-2506
Fax: 530-544-4811

November 30, 2020

VIA EMAIL ONLY

**Advice Letter 159-E
(U 933-E)**

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

**Subject: Liberty Utilities (CalPeco Electric) LLC (U-933 E) – Wildfire Expense
Memorandum Account Tariff Implementation**

In compliance with Ordering Paragraph (“OP”) 2 of California Public Utilities Commission (“CPUC”) Decision (“D.”) 20-11-034, Liberty Utilities (CalPeco Electric) LLC (“Liberty”) hereby submits this Tier 1 advice letter to implement the Wildfire Expense Memorandum Account (“WEMA”), effective August 13, 2020.

Purpose

In compliance with OP 2 of D.20-11-034, Liberty submits this advice letter to implement the WEMA. The WEMA will track incremental, unreimbursed wildfire liability-related costs effective August 13, 2020. The revised tariff sheets are attached.

Tier Designation

Pursuant to OP 2 of D.20-11-034, this Advice Letter is submitted with a Tier 1 designation.

Effective Date

Liberty requests that this Tier 1 advice filing become effective today, **November 30, 2020**.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than **December 20, 2020**, which is 20 days after the date of this filing. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest. 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

Energy Division Tariff Unit
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The protest also should be sent via email and U.S. Mail to Liberty at the addresses show 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
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 list. The advice letter is also being sent to parties shown on the A.20-08-009 service list.

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

Sincerely,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

/s/ Dan Marsh

Dan Marsh
Manager, Rates and Regulatory Affairs

cc: Liberty CalPeco Advice Letter Service List
A.20-08-009 Service List

Attachment

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

VIA EMAIL

gbinge@ktminc.com;
emello@sppc.com;
epoole@adplaw.com;
cem@newsdata.com;
rmccann@umich.edu;
sheila@wma.org;
abb@eslawfirm.com;
cbk@eslawfirm.com;
bhodgeusa@yahoo.com;
chilen@nvenergy.com;
phanschen@mofo.com;
liddell@energyattorney.com;
cem@newsdata.com;
dietrichlaw2@earthlink.net;
ericj@eslawfirm.com;
clerk-recorder@sierracounty.ws;
plumascoco@gmail.com;
marshall@psln.com;
stephenhollabaugh@tdpud.org;
gross@portersimon.com;
mccluretahoe@yahoo.com;
catherine.mazzeo@swgas.com;
Theresa.Faegre@libertyutilities.com;
SDG&ETariffs@semprautilities.com;
greg.campbell@libertyutilities.com;
bcragg@goodinmacbride.com;

AdviceTariffManager@sce.com;
edtariffunit@cpuc.ca.gov;
jrw@cpuc.ca.gov;
rmp@cpuc.ca.gov;
jaime.gannon@cpuc.ca.gov;
mas@cpuc.ca.gov;
txb@cpuc.ca.gov;
efr@cpuc.ca.gov;
tlg@cpuc.ca.gov;
dao@cpuc.ca.gov;
ljt@cpuc.ca.gov;
mmg@cpuc.ca.gov;
kjl@cpuc.ca.gov;
denise.tyrrell@cpuc.ca.gov;
fadi.daye@cpuc.ca.gov;
winnie.ho@cpuc.ca.gov;
usrb@cpuc.ca.gov;
Rob.Oglesby@energy.ca.gov;
stevegreenwald@dwt.com;
vidhyaprabhakaran@dwt.com;
judypau@dwt.com;
dwtcpucdockets@dwt.com;
patrickferguson@dwt.com;
travis.ritchie@sierraclub.org;
dan.marsh@libertyutilities.com;
sharon.yang@libertyutilities.com;
ginge@regintluc.com

PRELIMINARY STATEMENT
(Continued)

13. MEMORANDUM ACCOUNTS (Continued)

O. Wildfire Expense Memorandum Account

Pursuant to Commission Decision 20-11-034, issued November 23, 2020, the Wildfire Expense Memorandum Account (“WEMA”) will track incremental, unreimbursed wildfire liability-related costs pursuant to California Public Utilities Code Section 701 and Rule 2.1 of the Commission’s Rules of Practice and Procedure.

1. PURPOSE

The purpose of the WEMA, effective August 13, 2020, is to track all amounts paid by Liberty Utilities (CalPeco Electric) LLC (“Liberty CalPeco”) that are related to or the result of a wildfire, and that were not previously authorized in Liberty CalPeco’s General Rate Case (“GRC”), including:

- a) Payments to satisfy wildfire claims, including any deductibles, co-insurance, and other insurance expense paid by Liberty CalPeco;
- b) Outside legal expenses incurred in the defense of wildfire claims;
- c) Payments made for wildfire insurance and related risk-transfer mechanisms;
- d) The cost of financing these amounts.

Insurance proceeds, as well as any payments received from third parties, will be credited to the WEMA as they are received. Entries tracked in WEMA will be segregated by wildfire event, or by cost type for costs not specific to a wildfire event.

2. DEFINITIONS

- a. **Costs Arising From Wildfires:** All incremental amounts paid by Liberty CalPeco that are the direct or indirect result of a wildfire, including the costs categories listed above in Section 1. Only incremental costs may be recorded in the WEMA. Costs arising from wildfires shall exclude costs that have previously been authorized for recovery in rates in Liberty CalPeco’s GRC.

Advice Letter No. 159-E

Decision No. 20-11-034

Issued by
Christopher G. Alario
Name
President
Title

Date Filed 11/30/2020

Effective 8/13/2020

Resolution No. _____

O. Wildfire Expense Memorandum Account (Continued)

- b. Wildfire Claims: All incremental amounts paid by Liberty CalPeco to a third party in respect of a claim by such third party for damage or loss resulting directly or indirectly from a wildfire, including claims by a governmental entity for the reimbursement of fire suppression costs, damages to environmental resources and other governmental claims against Liberty CalPeco arising from a wildfire.

3. OPERATION OF THE WEMA

Liberty CalPeco shall maintain the WEMA by making monthly entries as follows:

- a. A debit entry equal to Liberty's CalPeco's costs arising from wildfires;
- b. A credit entry equal to amounts received by Liberty CalPeco from insurance companies or other third parties in respect of costs arising from wildfires;
- c. A debit or credit entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
- d. An entry to record interest expense calculated by applying a rate equal to one-twelfth of the three-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of beginning-of-month and end-of-month balances.

4. DISPOSITION

The disposition of any amounts tracked in the WEMA that are incremental to the amount recovered in Liberty CalPeco's GRC or other regulatory account shall be established by a Commission decision through a subsequent application or through other appropriate filings as authorized by the Commission. Liberty CalPeco will ensure that any costs tracked in the Catastrophic Events Memorandum Account ("CEMA), the Fire Hazard Prevention Memorandum Account ("FHPMA"), or in the Wildfire Mitigation Plan Memorandum Account ("WMPMA") are excluded from the expenditures tracked in the WEMA.

Advice Letter No. 159-E

Decision No. 20-11-034

Issued by
Christopher G. Alario
Name
President
Title

Date Filed 11/30/2020

Effective 8/13/2020

Resolution No. _____



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 #: 530-721-2435
 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) #: 159-E

Tier Designation: 1

Subject of AL: Wildfire Expense Memorandum Account Tariff Implementation

Keywords (choose from CPUC listing): Tariffs

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.20-11-034

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: 11/30/20

No. of tariff sheets: 1

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: Preliminary Statement 13 WILDFIRE EXPENSE MEMORANDUM ACCOUNT

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: 530-721-2435
Facsimile (xxx) xxx-xxxx:
Email: Dan.Marsh@libertyutilities.com

Name:
Title:
Utility Name:
Address:
City: State: California
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	