



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

July 30, 2024

VIA EMAIL ONLY

EDTariffUnit@cpuc.ca.gov

**Advice Letter No. 246-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) – Quarterly Federal Grant Programs Participation Information

Purpose

Pursuant to Ordering Paragraph (“OP”) 5 of California Public Utilities Commission (“Commission”) Resolution E-5254, Liberty Utilities (CalPeco Electric) LLC (U 933-E) (“Liberty”) submits this informational **Tier 1** Advice Letter (“AL”).

Background

OP 5 of Resolution E-5254, the CPUC ordered:

Starting in Q3 of 2023 until all projects funded with Infrastructure Investment and Jobs Act (“IIJA”) grants are completed and implemented or Energy Division has notified the IOU that further reporting is no longer needed, Bear Valley Electric Service, Inc. (BVES), Liberty Utilities (CalPeco Electric) LLC (Liberty), Pacific Gas and Electric Company (PG&E), PacifiCorp d.b.a. Pacific Power (PacifiCorp), San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and Southwest Gas Company (SWGAS) shall submit quarterly Tier 1 Information-Only advice letters containing, at a minimum, the information requested in Table 2 of this Resolution. Alpine Natural Gas and West Coast Gas Company should begin reporting in the quarter following approval of their Tier 2 Advice Letter in Ordering Paragraph 1.

Information

1. Status of applications submitted to DOE (under review, not awarded, awarded, etc.) including timeframe, the grant section number, and project name.

Liberty submitted its U.S. Department of Energy (DOE) infrastructure funding application entitled “Project Leapfrog: Foundational AMI and Grid Edge Computing Technology Deployment” on March 17, 2023. On October 18, 2023 the DOE announced

that Project Leapfrog was among those provisionally selected for funding, subject to successful completion of the Award Negotiation process – a series of due diligence exercises to confirm key aspects of the application, validate the budget, and ensure that all requisite policies and procedures are in place to satisfy the DOE requirements. As of this Advice Letter’s submission, Liberty understands that it has satisfied all of the requirements and requests it has received from the DOE in the course of the Award Negotiation Process. However, the Company continues awaiting the DOE’s final formal notice that will signify the grant’s final approval. Based on Liberty’s conversations with the DOE staff, such a notice can be expected as early as the next 30 days.

2. Descriptions of projects proposed in grant applications, or anticipated use of funding, requested grant level (and commensurate ratepayer matching funds).

The application proposed an upgrade to the company’s end-of-life electrical metering system that currently relies on obsolete electromechanical metering technology with a modern Advanced Metering Infrastructure (“AMI”) platform that would enable over-the-air meter reading and the establishment of a number of critical grid edge computing capabilities that would help the company streamline its operations, better detect potential wildfires, and optimize the integration of newer edge technologies.

By way of providing additional context, Liberty notes that Project Leapfrog’s scope is materially broader than the foundational AMI project that underwent the Commission’s review during Liberty’s last General Rate Case. All incremental scope components entail features and capabilities that the Company planned to implement in future phases of its AMI roadmap in the absence of DOE funding. They include:

- Integration of AMI with Liberty’s Outage Management System
- Deployment of software to enable the AMI mesh network to also support Distribution Automation (DA) and/or Online Sensor assets and deploying these assets at several locations in the key areas of the service territory.
- Utilization of edge computing capabilities inherent in AMI meters through the use of Distributed Intelligence (DI) apps such as high temperature or high impedance alarms, or load disaggregation.
- Phasing out of the increasingly obsolete MV-90 technology that measures consumption from larger customers.

The DOE grant provided an opportunity to implement these additional capabilities within a more condensed timeframe, and within a cost envelope that Liberty expects to have a rate impact comparable to that of the foundational capability alone. Liberty continues evaluating the project’s total budget with input from the DOE staff and will provide an

update on the total final amount agreed with the DOE in future updates. However, and notwithstanding any potential changes to the overall project cost, the maximum DOE contribution that the project is eligible for is \$13.1 million.

3. Identify partners on the applications (other IOUs or POU, State agencies, Tribes, etc.).

Liberty has consulted with multiple local stakeholders, including South Tahoe Public Utility District, City of South Lake Tahoe, City of Loyalton, Barton Memorial Hospital, Tahoe Prosperity Center, Advance, Town of Truckee, El Dorado County, Placer County, Alpine County Supervisor, Alpine County Admin. Office, Sierra County, Washoe Tribe, Lake Tahoe USD, Tahoe Chamber, Tahoe Regional Planning Association, Lukins Water, and Vail Ski Corp. Partnership opportunities have been discussed with all parties and will commence in the event of the grant being awarded.

4. Assessment of future award opportunities including match requirements and the expected source(s) for any match funding.

Liberty is currently concentrating its government grant-related efforts on the award negotiations process with DOE staff to maximize the likelihood of a positive and timely conclusion of negotiations and prepare the project for a smooth start. Accordingly, there are currently no outstanding applications for federal infrastructure funding. Liberty will assess future award opportunities after the conclusion of the DOE awards negotiation.

Effective Date

Liberty requests that this **Tier 1** advice letter be effective as of July 30, 2024.

Protests

Anyone wishing to protest this advice letter may do so by letter sent via U.S. mail, facsimile, or email, any of which must be received no later than August 19, 2024, which is 20 days after the date of this advice letter. There are no restrictions on who 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 also be sent via email and U.S. mail to Liberty Utilities (CalPeco Electric) LLC at the address shown below on the same date it is mailed or delivered to the Commission:

Energy Division Tariff Unit
California Public Utilities Commission
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Liberty Utilities (CalPeco Electric) LLC
Attn: Advice Letter Protests
933 Eloise Avenue
South Lake Tahoe, CA 96150
Email: CaseAdmin@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.

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

Respectfully submitted,

LIBERTY

/s/ Daniel W. Marsh

Daniel W. Marsh
Senior Manager,
Rates and Regulatory Affairs

cc: Liberty General Order 96-B Service List

Field Number	Bin	Field Name	Liberty-001
1	Data Management	Index Number	Liberty-001
2	Data Management	Entry Added	Q3-2023
3	Data Management	Entry Updated	Q4-2023
4	Data Management	Federal Recipient Identifier Number	N/A
5	Identifying	Utility Name	Liberty Utilities (CalPeco Electric) LLC
6	Identifying	Non-Utility Project Partners	The following parties have provided letters of support for the project and will be approached to explore further partnership opportunities in the event of a successful conclusion of the ongoing DOE Award Negotiations: South Tahoe Public Utility District, City of South Lake Tahoe, City of Loyalton, Barton Memorial Hospital, Tahoe Prosperity Center, Advance, Town of Truckee, El Dorado County, Placer County, Alpine County Supervisor, Alpine County Admin. Office, Sierra County, Washoe Tribe, Lake Tahoe Unified School District, Tahoe Chamber, Tahoe Regional Planning Association, Lukins Water and Vail Ski Corp.
7	Identifying	Project Name	Project Leapfrog
8	Identifying	Description of Project	Upgrade to the company's end-of-life electrical metering system that currently relies on obsolete electromechanical metering technology with a modern Advanced Metering Infrastructure (AMI) platform that would enable over-the-air meter reading and the establishment of a number of critical grid edge computing capabilities that would help the company streamline its operations, better detect potential wildfires, and optimize the integration of newer edge technologies.
9	Identifying	State/CPUC Goal Support	Advanced Metering Infrastructure
10	Identifying	Cost Recovery Proceedings	2022 GRC D.23-04-043
11	Identifying	Related Proceedings	N/A
12	Identifying	Link	N/A
13	Identifying	Point of Contact	Dan Marsh, Dan.Marsh@Libertyutilities.com
14	Grant Info	Funding Vehicle	IJJA
15	Grant Info	Funding Agency	DOE
16	Grant Info	Funding Section Number	Sec. 40107
17	Grant Info	Program/Grant Name	Smart Grid Grants
18	Grant Info	Direct or Agency	Direct
19	Grant Info	State Agency Awarding	N/A
20	Grant Info	Competitive/Formula	Competitive
21	Grant Info	Award Type	Grant
22	Grant Info	Award Status	Selected for Award. Undergoing DOE Award Negotiations in pursuit of Notice of Project Funding.
23	Grant Info	Award Date	To be confirmed. Selection for award negotiations (does not guarantee ultimate funding award) took place on Oct 18, 2023.
24	Grant Info	Narrative of costs incurred	Costs incurred to date entail internal and select external expert AMI consulting costs in preparation of the application and as-needed support in the DOE Negotiations process.
25	Grant Info	Future Opportunities	Will be evaluated across available programs upon conclusion of the DOE Negotiations process for Project Leapfrog.
26	Grant Info	Total National Funding Available for Program	3,000,000,000
27	Grant Info	Related Awards	None
28	Financial	Initial Estimated Project Total Budget	26,200,000
29	Financial	Updated Estimated Project Total Budget	To be confirmed at the conclusion of the DOE Negotiation process.
30	Financial	Award Amount Applied For	13,100,000
31	Financial	Award Amount Awarded	N/A
32	Financial	Actual Funding to Date	N/A
33	Financial	Funding Spent	N/A
34	Financial	Funding Remaining	N/A
35	Financial	Match Required	Yes
36	Financial	Ratepayer Match	Yes
37	Financial	Ratepayer Match Amount Requested	To be confirmed at the conclusion of the DOE Negotiation process.
38	Financial	Ratepayer Match Amount Approved	N/A
39	Financial	Ratepayer Match Approval	N/A
40	Financial	Other Match Amount	None expected.
41	Financial	Other Match - State Source	N/A
42	Financial	Other Match - Source Name	N/A
43	Financial	Other Match Status	N/A
44	Financial	Other Match Date	N/A
45	Financial	Funding Expiration Date	N/A
46	Status	Active/Inactive	Active
47	Status	Status	DOE Award Negotiations.
48	Status	Initial Estimated Start Date	2024
49	Status	Updated Estimated Start Date	2024
50	Status	Initial Estimated Completion Date	2028
51	Status	Updated Estimated Completion Date	N/A
52	Status	Actual Completion Date	N/A
53	Status	Milestones	N/A

Field Number	Bin	Field Name	Liberty-001
54	Status	Challenges	N/A
55	Location	Counties	All counties served by Liberty (Alpine, El Dorado, Mono, Nevada, Placer, Plumas, Sierra).
56	Location	Census Tracts or Shape	All census tracts served by Liberty
57	Location	Disadvantaged or Vulnerable Community Location	Yes
58	Location	Disadvantage or Vulnerable Community Definition	Based on the US Government's Climate and Economic Justice Screening Tool ("CEJST") tool. Must meet both Energy Burden and Low Income Threshold.
59	Location	Tribal Location	Partial
60	Location	Tribal Benefit	Partial
61	Location	Tribal Name	Washoe Tribe
62	Project Elements	Renewable Generation	No
63	Project Elements	Renewable Generation Capacity	N/A
64	Project Elements	Renewable Generation Unit	N/A
65	Project Elements	Renewable Location	N/A
66	Project Elements	Microgrid	No
67	Project Elements	Storage	No
68	Project Elements	Storage Capacity	N/A
69	Project Elements	Storage Unit	N/A
70	Project Elements	Storage Location	N/A
71	Project Elements	Distribution	No
72	Project Elements	Transmission	No
73	Project Elements	Energy Efficiency	No
74	Project Elements	Electric Vehicle Charging	**Other
75	Project Elements	Electric Vehicle Chargers	N/A
76	Project Elements	Biofuels/Hydrogen	No
77	Project Elements	IT/Remote Operation/Monitoring	Yes
78	Project Elements	Hydropower	No
79	Project Elements	Hydropower Generation Capacity	N/A
80	Project Elements	Hydropower Generation Unit	N/A
81	Project Elements	Carbon Capture and Storage	No

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;
bcragg@downeybrand.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;
vidhyaprabakaran@dwt.com;
judypau@dwt.com;
dwtcpucdockets@dwt.com;
patrickferguson@dwt.com;
travis.ritchie@sierraclub.org;
dan.marsh@libertyutilities.com;
sharon.yang@libertyutilities.com;
ginge@regintl.com;
christopher.westling@cpuc.ca.gov;
sletton@cityofsl.us;
acooley@eslawfirm.com;
sacksyboy@yahoo.com