

Docket	:	<u>A.25-06-017</u>
Exhibit Number	:	<u>CA-16</u>
Commissioner	:	<u>M. Baker</u>
Admin Law Judge	:	<u>R. Haga</u>
Witness	:	<u> </u>



**PUBLIC ADVOCATES OFFICE
CALIFORNIA PUBLIC UTILITIES COMMISSION**

CROSS EXHIBIT

**LIBERTY'S RESPONSE TO AUDIT OF LIBERTY
UTILITIES (LU), CALIFORNIA PACIFIC ELECTRIC
COMPANY'S (CALPECO) NORTH TAHOE ELECTRIC
DISTRIBUTION, - CPUC FILE: EA2012-013**

San Francisco, California
February 9, 2026

9/24/2012

Raffy Stepanian, P.E.
Program Manager
Electric Safety and Reliability Branch
Consumer Protection and Safety Division
California Public Utilities Commission

RE: Audit of Liberty Utilities (LU), California Pacific Electric Company's (Calpeco) North Tahoe Electric Distribution, - CPUC File: EA2012-013

Dear Mr. Stepanian,


We are in receipt of your letter dated August 24, 2012 and would like to start by thanking your staff Utilities Engineer Paul Penney and Ryan Yamamoto for their objectivity and assistance with our first GO-165 Audit.

As a new electric utility, each one of our employees are committed to Public Safety and Continuity of Service, as such, we immediately began corrective actions following the post-audit briefing.

I have provided responses to each and every one of the 22 observations listed as a result of subject Audit. If you have any questions please email phil.carrillo@libertyutilities.com or dial 530/546-1736.

Thank you.

Sincerely,



Philip H. Carrillo
Business Manager
California Pacific Electric Company
DBA Liberty Utilities
PO Box 107
Tahoe Vista, CA 96148

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

GO 165, Section III-B, - Standards for Inspections, states:

"Each utility subject to this General Order shall conduct inspections of its distribution facilities, as necessary, to ensure reliable, high quality, and safe operation, but in no case may the period between inspections (measured in years) exceed the time specified in Table 1."

LU did not have sufficient records to demonstrate compliance with the inspection requirements of GO 165.

Response: We acknowledge our deficiency related to record keeping of our Inspections and are committed to being in compliance with GO 165, Standards for Inspection. We will create and maintain inspection records as required by the General Order.

GO 165, Section III-C – Record Keeping states in part:

"The utility shall maintain records for (1) at least (10) years of patrol and detailed inspection activities, and (2) the life of the pole for intrusive inspection activities. Such records shall be made available to parties or pursuant to Commission rules upon 30 days notice. Commission staff shall be permitted to inspect such records consistent with Public Utilities Code Section 314(a)."

LU does not have a written inspection program that requires record keeping as specified in GO 165.

Response: As a new electric utility company we are developing a written inspection policy/program for implementation by 12/31/2012.

GO 165, Section III-C – Record Keeping states in part:

"For all inspections records shall specify the circuit, area, facility or equipment inspected, the inspector, the date of the inspection, and any problems (or items requiring corrective action) identified during each inspection, as well as the scheduled date of corrective action."

LU did not document all violations of General Orders 95 and 128 during its inspections. Additionally, all violations that were discovered by the utility were not scheduled for corrective action.

Response: This is a training issue that we are aware of and starting in the third week in October we will be conducting GO 95, 128 and 165 semi-monthly training to our operations employees.

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

GO 165, Section III-D, - Reporting states in part:

"By July 1st each utility subject to this General Order shall submit an annual report for the previous year under penalty of perjury."

LU has not submitted any annual reports to the Commission. Annual reports must be submitted to the Commission by July 1st.

Response: Calpeco, filed a GO 165 Report on July 2nd (copy attached). Reports for ensuing years will be submitted prior to July 1st.

GO 95, Rule 18-A1a, - Resolution of Safety Hazards and GO 95 Nonconformances, states in part:

"Each company (including utilities and CIPs) is responsible for taking appropriate corrective action to remedy Safety Hazards and GO 95 nonconformances posed by its facilities."

LU did not document, schedule for correction and correct all Safety Hazards received from other companies.

Response: Calpeco's GO 165 procedures have been tailored to flag, schedule and take corrective actions for safety hazards identified and submitted by other utility companies.

GO 95, Rule 18-B, - Notification of Safety Hazards, states in part:

"If a company, while performing inspections of its facilities, discovers a safety hazard(s) on or near a communications facility or electric facility involving another company, the inspecting company shall notify the other company and/or facility owner of such safety hazard(s) no later than ten business days after the discovery. To the extent the inspecting company cannot determine the facility owner/operator, it shall contact the pole owner(s), who shall be responsible for promptly notifying the company owning/operating the facility with the safety hazard(s), normally not to exceed five business days after being notified of the safety hazard. The notification shall be documented and such documentation must be preserved by all parties for at least ten years."

LU does not notify other companies of safety hazards as required by GO 95.

Response: Calpeco will notify and document all safety hazards involving another company's facilities per GO 95, Rule 18-B.

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

GO 95, Rule 44.2, Additional Construction, States:

"Any entity planning the addition of facilities that materially increase vertical, transverse or longitudinal loading on a structure shall perform a loading calculation to ensure that the addition of the facilities will not reduce the safety factors below the values specified by Rule 44.3. Such entity shall maintain these pole loading calculations for ten years and shall provide such information to authorized joint use pole occupants and the Commission upon request."

LU's pole load calculations did not contain accurate information; specifically, the data used in the calculations need to use accurate information.

Response: Calpeco is aware of noted deficiency and is reviewing, prior to purchase, a pole loading program similar to what is used by the big three utilities in California.

GO 128, Rule 17.8, Identification of Manholes, Handholes, Subsurface and Self-contained Surface –mounted Equipment Enclosures, states:

"Manholes, handholes, subsurface and self-contained surface-mounted equipment enclosures shall be marked as to ownership to facilitate identification by persons authorized to work therein and by other persons performing work in their vicinity".

LU need to update the ownership identification signs on its padmounted equipment. Currently, LU staff is not always documenting this violation when it inspects its facilities.

Response: Calpeco has purchased necessary company ID labeling and is committed to attaching new labels during our GO 165 inspection process as well as equipment our crews may access during the normal work day.

Field Violations:

Location #1 7276 Highway 28, Tahoe Vista (Equipment # 244289)

Violation: Ground Molding Missing GO 95, Rule 54.6-B

Corrective Measure: Installed ground molding, all work complete and field verified
9/10/2012 – Note at his location the pole # on site is 244280

Location #2 480 North Ridge Road, Carnelian Bay (Equipment # 96794)

Violation: Secondary Crossarm Contact Above Insulator on Anchor Guy, GO 95, Rule 56.7-B

Corrective Measure: Installed insulated "Fish Rod" extending above & below area of contact
all work complete and field verified 9/10/2012

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

Location #3 620 North Ridge Road, Carnelian Bay(Equipment # 90576)

Violation: Secondary Crossarm Contact Above Insulator on Anchor Guy, GO 95, Rule 56.7-B

**Corrective Measure: Installed insulated "Fish Rod" extending above & below area of contact
all work complete and field verified 9/10/2012**

Location #4 620 North Ridge Road, Carnelian Bay (Equipment # 90575)

**Violation: Anchor Guy Less Than Three (3) Inches From Secondary Conductor, GO 95,
Rule 38, Table 2**

**Corrective Measure: Installed insulated "Fish Rod" extending above & below area of contact
all work complete and field verified 9/10/2012**

Location #5 Woodchuck Dr & North Ridge Rd, Carnelian Bay (Equipment ID #90568)

Violation: Overhead Conductor less than 18" From Tree, GO 95, Rule 35

**Corrective Measure: Trees trimmed to phone level, all work complete and field verified
9/10/2012**

Location #6 457 Terrace Drive, Carnelian Bay (Equipment ID #45303)

**Violation: Ground Wire Exposed GO 95, Rule 51.6B & Missing High Voltage Sign
GO95, Rule 51.6A**

**Corrective Measure: Installed Molding and High Voltage Sign, all work complete and field
verified 6/11/2012**

Location #7 5850 Ophir, Carnelian Bay (Equipment #39579)

**Violation: Slack Anchor Guy, GO 95, Rule 56.2 & Ground Wire Exposed, GO 95,
Rule 54.6-B**

**Corrective Measure: Removed slack from anchor guy and installed ground molding, all work
complete and field verified 6/21/2012.**

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

Location #8 **Mountain Circle & Wildwood Road, Tahoe Vista (Equip. ID #81583)**

Violation: **Ground Wire Exposed, GO 95, Rule 54.6-B**

Corrective Measure: **Installed molding, all work complete and field verified 9/6/2012**

Location #9 **5984 Dodowah Road (Equipment ID #85741)**

Violation: **Slack Anchor Guy, GO 95 Rule 56.2 & Missing High Voltage Sign, GO 95, Rule 51.6-A**

Corrective Measure: **Removed slack from Anchor Guy and installed High Voltage Signs, all work complete and field verified 6/21/2012**

Location #10 **6548 Northlake Blvd., Tahoe Vista (Equipment #81463)**

Violation: **Ground Wire Exposed, GO 95, Rule 54.6-B**

Corrective Measure: **Installed Molding and replaced High Voltage Signs, all work complete and field verified 6/11/2012**

Location #11 **8486 Golden Avenue, Kings Beach (Equipment # 81447)**

Violation: **Ground Wire Exposed GO 95, Rule 54.6,B and Foreign Attachment GO 95, Rule 34**

Corrective Measure: **Pole has been replaced, there is new molding on ground and foreign attachment removed, all work complete and field verified 9/12/2012**

Location #12 **8434 Loch Levon Avenue, Kings Beach (Equipment 68531)**

Violation: **Ground Rod and Ground wire Exposed, GO 95, Rule 54.6 B**

Corrective Measure: **Drove Ground Rod Down below grade and installed Molding, all work complete and field verified 6/21/2012**

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

- Location #13** **Golden Ave at Deer Street, Kings Beach (Equipment # 81441)**
- Violation:** **Ground Wire Exposed GO 95, Rule 54.6, B and Cable attached to Calpeco Ground GO 95, Rule 33.3, B**
- Corrective Measure:** **Ground Molding installed and Cable Ground has been removed, all work complete and field verified 6/29/2012.**
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- Location #14** **8779 Brockway Vista Ave., Kings Beach (Equipment ID #208483)**
- Violation:** **Anchor Guy Touching Communication Cable, GO 95, Rule 38, Table 2**
- Corrective Measure:** **At this location we found no Anchor Guy or Guy of any type attached to pole in question. Field verified 9/27/2012**
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- Location #15** **8732 Rainbow Ave., Kings Beach (Equipment ID 92275) Note: pole # at this location is #92235 – field verified 9-27-2012**
- Violation:** **Ground Wire Exposed, GO 95, Rule 54.6 B, Anchor Guy Touching Communication Cable GO 95, Rule 38, Table 2**
- Corrective Measure:** **Installed molding on Guy, notified AT&T Communications, all work complete, field verified 9-27-2012**
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- Location #16** **8681 Rainbow Ave., Kings Beach (Equipment #81456)**
- Violation:** **Ground Wire Exposed, GO 95, Rule 54.6,B**
- Corrective Measure:** **Installed Ground Molding, all work is complete, field verified 6/21/2012**
-
- Location #17** **970 Snow Shoe, Tahoe City (Equipment ID # 109225)**
- Violation:** **Tree Contact and Secondary Crossarm Contact Above Insulator on Anchor Guy, GO 95, Rule 38, Table 2**
- Corrective Measure:** **Trimmed trees, installed insulated “Fish Rod”, pulled slack from guy, Installed High Voltage Signs, all work complete, field verified 6/11/2012**

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

Location #18 **970 Sky Way, Tahoe City (Equipment #201316)**

Violation: **Anchor Touching Communication Cable, GO 95, Rule 38, Table 2**

Corrective Measure: Communication cable no longer touching guy wire. Communication Company cleared the infraction, all work complete and field verified 9/27/2012

Location #19 **125 Talmont Circle, Tahoe City (Equipment ID # 155257)**

Violation: **Ground Rod and Ground Wire Exposed GO 95, Rule 54.6-B and Missing High Voltage Sign GO 95, Rule 51.6-A**

Corrective Measure: Drove Ground Rod Below Grade, Installed Ground Molding, Installed High Voltage Signs. All work complete and field verified 6/21/2012

Location #20 **445 John Cain Road, Tahoe City (Equipment ID #139525)**

Violation: **Ground Wire Exposed, GO 95, Rule 54.6-B**

Corrective Measure: Installed Ground Molding, all work complete and field verified 6/21/2012.

Location #21 **1975 Silvertip Drive, Tahoe City (Equipment #131178)**

Violation: **Tree Contact Above Insulator on Anchor Guy, GO 95, Rule 56.7-B, Ground Wire Exposed, GO 95, Rule 54.6-B, Missing High Voltage Sign**

Corrective Measure: Trimmed Trees, Installed Ground Molding and Installed High Voltage Signs. All work complete, field verified 6/21/2012

Location #22 **2090 Woodleigh Road, Tahoe City (Equipment ID # 180628)**

Violation: **Ground Rod and Ground Wire Exposed, GO 95, Rule 54.6-B**

Corrective Measure: Drove Ground Rod down below grade, installed Ground Molding. All work complete and field verified 6/21/2012

GO 165, 95, 128 - Audit Summary/Rule/Violation/Calpeco Response

Corrective measures have been completed on all 22 observations noted in the CPUC's random Inspection/Audit. Additionally, Calpeco is keenly updating equipment ownership signage on all Calpeco owned electric distribution equipment.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip H. Carrillo". The signature is fluid and cursive, with the first name "Philip" being the most prominent.

Philip H. Carrillo, Business Manager



Liberty Utilities

California Pacific Electric Company

California Pacific Electric Company, LLC
933 Eloise Avenue
South Lake Tahoe, CA 96150
Telephone: 1-800-782-2506
Fax: 530-544-4811

July 2, 2012

Mr. David Lee
Utility Engineer
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: **California Pacific Electric Company, LLC (U 933-E) General Order 165 Filing for 2012**

Dear Mr. Lee:

Enclosed please find the annual General Order ("GO") 165 Report of California Pacific Electric Company, LLC (U 933-E) ("CalPeco") for calendar year 2012. This report is submitted in compliance with Section III of GO 165.

On October 28, 2010, the Commission issued Decision 10-10-017, which approved Sierra Pacific Power Company's ("Sierra") transfer to CalPeco of the California electric distribution facilities and the Kings Beach Generating Station that Sierra had owned and operated. On January 1, 2011, CalPeco began operations as the utility with responsibility for serving customers within Sierra's former California service territory.

As a result of the transfer of ownership, this report only details the 2011 and 2012 activities of CalPeco.

If additional information is required, please do not hesitate to call me at (530) 543-5277.

Regards,

Mike Long

Director of Finance and Regulatory Affairs

California Pacific Electric Company, LLC

California Pacific Electric Company, LLC (U 933-E)

ANNUAL GO 165 REPORT

Year - 2011

Year - 2012

All Inspected Circuits		Units Scheduled for Inspection	Total Units Inspected	# of Units Scheduled for Repair	% of Total Units Scheduled for Repair (Column G/F)	# of Units Scheduled for Repair - Repaired	% of Units Repaired (Column I/G)	Units Scheduled for Repair	# of Units Repaired to Date	% of Units Scheduled for Repair - Repaired to Date (Column M/L)
Transformers										
Overhead		982	982	403	41.0%	129	32.0%	274	1	0.4%
Underground		1	1	0	0.0%	0	0.0%	0	0	0.0%
Padmounted		67	67	26	38.8%	53	203.8%	0	0	0.0%
Switching / Protective Devices										
Overhead		199	199	53	26.6%	78	147.2%	0	0	0.0%
Underground		1	1	0	0.0%	0	0.0%	0	0	0.0%
Padmounted		0	0	0	0.0%	0	0.0%	0	0	0.0%
Regulators / Capacitors / Reclosures										
Overhead		8	8	2	25.0%	5	250.0%	0	0	0.0%
Underground		0	0	0	0.0%	0	0.0%	0	0	0.0%
Padmounted		0	0	0	0.0%	0	0.0%	0	0	0.0%
Distribution Conductors & Cable Miles		326.83	326.83	~	~	~	~	~	~	~
Pole Line Hardware, Infractions, etc.		5348	5348	1332	24.9%	999	75.0%	333	79	23.7%
Vaults, Boxes & Manholes		0	0	0	0.0%	0	0.0%	0	0	0.0%
Junction Enclosures		6	6	12	200.0%	0	0.0%	12	0	0.0%
Wood Poles										
Wood Poles Inspected		5348	5348	~	~	~	~	~	~	~
Wood Poles Intrusively Inspected		3512	3512	~	~	~	~	~	~	~

Note: Due to work that is in arrears and not recorded in the current system, repairs may have been completed but are *not* included in the reported numbers.