

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 11, 2022

**Advice Letter 430-E-A**

Nguyen Quan  
Manager, Regulatory Affairs  
Bear Valley Electric Service, Inc  
630 East Foothill Boulevard  
San Dimas, CA 91773

**Subject: 2021 Greenhouse Gas California Climate Credit.**

Dear Mr. Quan:

Advice Letter 430-E-A is effective as of December 16, 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Skala".

Pete Skala  
Interim Deputy Executive Director for Energy and Climate Policy /  
Interim Director, Energy Division, CPUC



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



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

Company name/CPUC Utility No.: Bear Valley Electric Service, Inc (913-E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Nguyen Quan

Phone #: (909) 394-3600 x664

E-mail: RegulatoryAffairs@bvesinc.com

E-mail Disposition Notice to: RegulatoryAffairs@bvesinc.com

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 430-EA

Tier Designation: 2

Subject of AL: 2022 Greenhouse Gas California Climate Credit

Keywords (choose from CPUC listing): Compliance, GHG, Preliminary Statement

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision No. 21-08-026

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

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: 12/16/21

No. of tariff sheets: 4

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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 WW, Preliminary Statement XX, Table of Content

Service affected and changes proposed<sup>1</sup>: see Advice Letter

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss 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](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Nguyen Quan  
Title: Regulatory Affairs Manager  
Utility Name: Bear Valley Electric Service, Inc  
Address: 630 E. Foothill Blvd  
City: San Dimas State: California  
Telephone (xxx) xxx-xxxx: (909) 394-3600 x664  
Facsimile (xxx) xxx-xxxx: (909) 394-7427  
Email: [RegulatoryAffairs@bvesinc.com](mailto:RegulatoryAffairs@bvesinc.com); [nquan@gswater.com](mailto:nquan@gswater.com)

Name: Zeng Zhu  
Title: Rate Analyst  
Utility Name: Bear Valley Electric Service, Inc  
Address: 630 E. Foothill Blvd  
City: San Dimas State: California  
Telephone (xxx) xxx-xxxx: (909) 394-3600 x495  
Facsimile (xxx) xxx-xxxx: (909) 394-7427  
Email: [RegulatoryAffairs@bvesinc.com](mailto:RegulatoryAffairs@bvesinc.com); [zeng.zhu@bvesinc.com](mailto:zeng.zhu@bvesinc.com)



Bear Valley Electric Service, Inc.  
P.O. Box 9028  
San Dimas, CA 91773-9028  
A Subsidiary of American States Water Company

February 22, 2022

Advice Letter No. 430-EA

(U 913 E)

## California Public Utilities Commission

Bear Valley Electric Service, Inc. ("BVES") hereby transmits for filing the following:

**SUBJECT:** *2022 Greenhouse Gas California Climate Credit.*

### **SUPPLEMENT**

BVES is supplementing its Advice Letter ("AL") No. 430-E. BVES received notice from Energy Division ("ED") requesting BVES to make language changes and additional clarification to more closely reflect intended program function. BVES also corrected Advice letter title.

This supplemental filing replaces Advice Letter No. 430-E in its entirety.

This advice letter complies with Decision No. ("D.") 21-08-026 Ordering Paragraph No. ("OP") 11.

### **BACKGROUND**

In D.21-08-026, the Commission orders BVES to implement the California Climate Credit for residential and commercial customers.

D.21-08-026, Ordering Paragraph No. 11 states:

11. *Bear Valley Electric Service, Inc. (Bear Valley) shall annually submit, by November 15 of each year, a Tier 2 Advice Letter to include: (i) the templates ordered in Appendix D of Decision 14-10-033 and modified in Decision 14-10-055 and Decision 15-01-024 (as updated by the workshop also directed in this Decision), (ii) a narrative explanation of the expenses included in the templates, and (iii) any tariff sheet updates needed to implement the climate credits. For 2021 only, the advice letter filing should also include a determination from Bear Valley if they have, or anticipate having, any customers that will qualify as Electric-Intensive Trade-Exposed facilities eligible for California Industry Assistance as well as a description of the steps Bear Valley took to make that determination.*

### **GHG CALIFORNIA CLIMATE CREDIT**

Per OP 11 of D.21-08-026, the annual Advice Letter (“AL”) filing must include the following:

i) the templates ordered in Appendix D of Decision 14-10-033 and modified in Decision 14-10-055 and Decision 15-01-024 (as updated by the workshop also directed in this Decision)

On September 14, 2021, pursuant to D.21-08-026 OP 13, Southern California Edison on behalf of BVES and other utilities (“Joint IOUs”) filed joint AL 4587-E et. al. updating the GHG Allowance Revenue templates. The Joint IOUs submitted subsequent supplements to the original AL. On October 26, 2021, the Commission approved the proposed updates to the templates.<sup>1</sup>

See Attachment A for BVES’s completed templates. BVES revised its template from AL 430-E after dialogue with ED staff.

In prior years, BVES received small sum of proceeds from climate credit auctions. These were wholly placed into a balancing account and distributed volumetrically through rates to customers, consistent with D.12-12-033 OP 4. This is BVES’s first time distributing proceeds in this manner.

The 2021 section of the template was a forecast at the time AL 430-E’s submission. Since then all of the BVES’s 2021 allowances were consigned at auctions, as required by CARB and the 2021 proceeds have been wholly placed into a holding account for distribution as climate credits under D.21-08-026 starting in 2022. 2021 proceeds are currently held for distribution starting in 2022 only. The proceeds are not part of BVES’s annual revenue requirement.

ii) a narrative explanation of the expenses included in the templates

BVES has accounted for its expenses in an effort to comply with Sections 95892(d)(4) and (7) of the Cap-and-Trade Regulation.

Tab D-2 Costs:

Proxy prices for were based on prices from Application No. 21-08-003. The proxy price was derived from the forward ICE settlement price of GHG allowances of the forecast year’s vintage with December delivery of the forecast year, with a quote date consistent with natural gas and power price forward curves used in the ERRA/ECAC forecast.

The emissions from Utility Owned Generation are below the 10,000 Metric Tons threshold. Emissions/GHG associated with BVES’s purchases are already accounted for accounted for in BVES power contracts. Therefore, template D-2 is left blank.

Tab D-3 Outreach and Admin Expenses:

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<sup>1</sup> On October 26, 2021, the Commission approved Joint AL 4587-E/EA/EB/EC.

See Attachment B for support and narrative explanation of these costs.

Interest and FF&U are not applied in the template due to allowance revenue being forecasted. Received allowance revenue are held for distribution as climate credit only. Allowance revenue is not applied to BVES's revenue requirement.

iii) any tariff sheet updates needed to implement the climate credits.

BVES requests the Commission authorization to establish a Greenhouse Gas Allowance Revenue Balancing Account ("GHGARBA"). The purpose of this balancing account is to track and defer revenue from the sale of GHG allowances for subsequent allocation to eligible customer classes through California Climate Credit. BVES currently does not have a mechanism for tracking this. BVES request the GHGARBA be effective as of the effective date of D.21-08-026. This will allow BVES to capture properly all associated costs since the effective date of the decision.

See accompanying tariff "Preliminary Statement WW".

Furthermore, BVES requests Commission authorization to establish a Greenhouse Gas Allowance Revenue Administrative and Outreach Costs Memorandum Account ("GHGARAOMA"). D.21-08-026 OP 7 states "...Expenses for outreach shall be entered into the utility's Administrative and Outreach Memorandum Account". BVES currently does not have such a memorandum account. Therefore, the purpose of this memorandum account is to allow BVES to track costs for administrative costs associated implementation of greenhouse gas revenue ("GHG") allocation methodology, and customer outreach and education costs associated with the distribution of GHG allowance revenue required by Decision No. 21-08-026. BVES request the GHGARAOMA be effective as of the effective date of D.21-08-026. This will allow BVES to capture properly all associated costs since the effective date of the decision. Recovery for costs recorded in this memorandum account will be allowed only through BVES's General Rate Case or other proceeding as the Commission sees fit.

See accompanying tariff "Preliminary Statement XX".

Electric-Intensive Trade-Exposed facilities eligible for California Industry Assistance  
Consistent with D.14-12-036, D.15-08-006 and D.16-07-007, there are two groups of customers that may establish their eligibility for California Industry Assistance:

(1) Group 1 are customers that report directly to the California Air Resources Board ("CARB") under the Mandatory Reporting Regulation ("MRR"). BVES has reviewed the CARB reported data for the 2019 emissions year on the CARB website. BVES found no customers belonging to Group 1. BVES itself to be the only entity with an MRR reporting obligation in BVES's service territory

(2) Group 2 are customers not subject to the MRR but fall within an eligible NAICS code and must submit an eligibility attestation to the utility or otherwise inquire about eligibility directly with the utility. BVES has not received any attestations or any customer's inquiries about Emissions Intensive Trade Exposed ("EITE") status prior to the filing of this Advice Letter. EITE attestation form is available on BVES's website to all customers. Customers can submit attestation of their EITE status to BVES for review. BVES does not believe that it has any customers presently eligible for industry assistance within its service territory.

For entities above 10,000 MTCO<sub>2</sub>(e), BVES is not aware of any qualifying Emissions Intensive Trade Exposed customers in its small service territory. BVES reviewed publicly available MRR data to confirm that it does not have any potentially eligible EITE entities in its territory. BVES confirmed there are no EITE entities above 10k MT in its territory.

For entities below 10,000 MTCO<sub>2</sub>(e), BVES does not have data on whether its customers may qualify as EITE even though they are below the MRR reporting threshold. The Commission developed a self-nomination/attestation process for EITE entities below the 10,000 MTCO<sub>2</sub>(e) reporting threshold due to the lack of data on this class of EITE customer.

BVES has no record of receiving any inquiries from any industrial customers. Moreover, BVES reviewed its customer information for the small handful of large customers operating in its territory. These customers do not qualify as EITE entities under the Cap-and-Trade Regulation and applicable CPUC decisions. BVES' territory is comprised of a small mountain community that is primarily residential and small commercial customers.

### **ATTACHMENTS**

Attachment A: BVES GHG Allowance Revenue Templates

Attachment B: Data Filing for BVES in Accordance with D.20-10-002

### **TIER DESIGNATION**

This advice letter is submitted with a Tier 2 designation.

### **EFFECTIVE DATE**

BVES respectfully requests this advice letter becomes effective on December 16, 2021.

### **NOTICE AND PROTESTS**

A protest is a document objecting to the granting in whole or in part of the authority sought in this advice letter. A response is a document that does not object to the authority sought, but nevertheless presents information that the party tendering the response believes would be useful to the CPUC in acting on the request.

A protest must be sent within 20 days of the date the CPUC accepts the advice letter for filing. The Calendar is available on the CPUC's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

A protest must state the facts constituting the grounds for the protest, the effect that approval of the advice letter might have on the protestant, and the reasons the protestant believes the advice letter, or a part of it, is not justified. If the protest requests an evidentiary hearing, the protest must state the facts the protestant would present at an evidentiary hearing to support its request for whole or partial denial of the advice letter.

The utility must respond to a protest within five days.

**All protests and responses should be sent to:**

California Public Utilities Commission, Energy Division

E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

The protest or correspondence should also be sent via U.S. mail and/or electronically, if possible, to the utility at the address shown below on the same date it is delivered to the Commission:

Bear Valley Electric Service, Inc.

ATTN: Nguyen Quan

630 East Foothill Blvd.

San Dimas, CA 91773

Fax: 909-394-7427

E-mail: [RegulatoryAffairs@bvesinc.com](mailto:RegulatoryAffairs@bvesinc.com)

If you have not received a reply to your protest within 10 business days, contact Nguyen Quan at (909) 394-3600 ext. 664.

**Correspondence:**

Any correspondence regarding this compliance filing should be sent by regular mail or e-mail to the attention of:

Nguyen Quan

Manager, Regulatory Affairs

Bear Valley Electric Service, Inc.

630 East Foothill Blvd.

San Dimas, California 91773

Email: [RegulatoryAffairs@bvesinc.com](mailto:RegulatoryAffairs@bvesinc.com)

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.



Sincerely,

/s/Zeng Zhu

Zeng Zhu

Rate Analyst, Regulatory Affairs

cc: Edward Randolph, Deputy Executive Director, Energy Division  
Franz Cheng, Energy Division  
R. Mark Pocta, California Public Advocates Office  
BVES General Order 96-B Service List

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
3091-E*	PRELIMINARY STATEMENTS Sheet 1	
3092-E*	PRELIMINARY STATEMENTS Sheet 2	
3093-E*	PRELIMINARY STATEMENTS Sheet 1	
3094-E*	Table of Contents Sheet 1	3090-E

PRELIMINARY STATEMENTS

Part WW. Greenhouse Gas Allowance Revenue Balancing Account

(N)

**A. Purpose**

The purpose of the Greenhouse Gas ("GHG") Allowance Revenue Balancing Account ("GHGARBA") is to track and defer revenues from the sale of GHG allowances for subsequent allocation to eligible customer classes. The GHGARBA will record the amount of GHG revenues actually returned to customers, and the actual amount of GHG revenues BVES receives through consigning allowances to the cap-and-trade auction. GHGARBA is established pursuant to Decision No. 21-08-026.

**B. Procedure**

The Utility will:

1. Record the revenues from sales of GHG allowance sold via the cap-and-trade program auctions.
2. Record disbursement issued Climate Credit to customers.
3. Monthly interest on the balancing account will accrue at 1/12 of the interest rate on 3-month Commercial Paper for the previous month, as published in the Federal Reserve Statistical Release, H.15 or its successor publication.

**C. Allocation**

Upon declaration by the California Public Utilities Commission ("CPUC") that the GHG allocation methodology is ready for implementation, BVES may begin to allocate allowance revenues recorded in the GHGARBA to eligible customer classes. The outstanding balance in the GHGARBA, including accrued interest, must be amortized over a reasonable period so that all deferred revenues are distributed within 24 months.

1. California Climate Credit

Beginning in April 2022, BVES will issue a California Climate Credit in compliance with CPUC Decision No. 21-08-026. The purpose is to return to eligible customers revenues generated from the sale of greenhouse gas emissions allowances (permits) required as part of California's Cap-and-Trade Program for greenhouse gas emissions which was developed in response to the California Global Warming Solutions Act of 2006 (AB-32).

(N)

(Continued)

Advice Letter No. 430-EA  
Decision No. 21-08-026

Issued By  
*Paul Marconi*  
President

Date Filed February 22, 2022  
Effective August 19, 2021  
Resolution No. \_\_\_\_\_

PRELIMINARY STATEMENTS

Part WW. Greenhouse Gas Allowance Revenue Balancing Account  
(continued)

(N)

C. Allocation (continued)

1. California Climate Credit (continued)

Customers taking service under the following rate schedule tariffs are eligible for the credit:

The Residential Credit applies to accounts for residential customers active at the time of the credit distribution described below.

- The following residential rate schedules shall have credit applied twice per year in the billing cycles for April and October per customer account:

Schedule D;  
Schedule DLI;  
Schedule DE;  
Schedule DO.

- The following residential rate schedules shall have credit applied twice per year in the billing cycles for April and October per customer account multiplied by the recorded number of sub-units at the customer premises:

Schedule DM;  
Schedule DMS

The Small Business Credit applies to all electric sales for eligible Small Business customers as defined below.

- The following customers shall qualify as eligible Small Business customers under this schedule:

Schedule A1

(N)

(Continued)

Advice Letter No. 430-EA  
Decision No. 21-08-026

Issued By  
*Paul Marconi*  
President

Date Filed February 22, 2022  
Effective August 19, 2021  
Resolution No. \_\_\_\_\_

PRELIMINARY STATEMENTS

Part XX. Greenhouse Gas Allowance Revenue Administrative and Outreach Costs Memorandum Account

(N)

**A. Purpose**

The purpose of the Greenhouse Gas Allowance Revenue Administrative and Outreach Costs Memorandum Account ("GHGARAOMA") is to track expenses for administrative and processing associated with implementation of Greenhouse Gas ("GHG") revenue allocation methodology, and customer outreach and education efforts associated with the distribution of GHG allowance revenues, pursuant to the California Public Utilities Commission's ("Commission") Decision No. 21-08-026.

**B. Procedure**

The Utility shall:

1. Record administrative expenses associated with implementation of Commission approved GHG allowance return methodology.
  - i. These expenses may include, but are not limited to, legal expense, system and billing upgrades in order to track GHG costs and revenues as well as ongoing administrative costs to distribute revenues to the appropriate customer groups.
2. Record expenses associated with customer outreach and education efforts regarding GHG allowance revenues.
  - i. These expenses may include, but are not limited to, legal expenses, mailers, pamphlets, advertisements, public workshops on the subject.
3. Record monthly interest. Monthly interest will accrue at 1/12 of the interest rate on 3-month Commercial Paper for the previous month, as published in the Federal Reserve Statistical Release, H.15 or its successor publication.

**C. Disposition**

Dispositions of amounts recorded in the GHGARAOMA shall be determined in a subsequent Regulatory proceeding, as authorized and fully reviewed by the Commission.

(N)

(Continued)

Advice Letter No. 430-EA  
Decision No. 21-08-026

Issued By  
**Paul Marconi**  
President

Date Filed February 22, 2022  
Effective August 19, 2021  
Resolution No. \_\_\_\_\_

Table of Contents

The following tariff sheets contain all effective rates and rules affecting rates and service of the utility, together with information relating thereto:

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No. A-2 General Service	3075-E, 1838-E	(P)
No. A-3 General Service	3076-E, 1840-E	(P)
No. A-4 General Service- TOU	3077-E, 1842-E, 1843-E	(P)
No. A-5 TOU Primary	3078-E, 1845-E, 1846-E	(P)
No. A-5 TOU Secondary	3079-E, 1848-E, 1849-E	(P)
No. D Domestic Service - Single-family Accommodation	3080-E, 1851-E, 1852-E	(P)
No. DE Domestic Service to Company Employees	3081-E, 1854-E	(P)
No. DLI Domestic Service - CARE Rate	3082-E, 3034-E, 1857-E, 1858-E	(P)
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No. GSD General Service Demand – Camp Oaks	3086-E, 1868-E	(P)
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Advice Letter No. 430-EA  
 Decision No. 21-08-026

*Issued By*  
**Paul Marconi**  
*President*

Date Filed February 22, 2022  
 Effective December 16, 2021  
 Resolution No. \_\_\_\_\_

**BEAR VALLEY ELECTRIC SERVICE, INC.**

**G.O. 96-B**  
**SERVICE LIST**

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# **ATTACHMENT A**

**BEAR VALLEY ELECTRIC SERVICE, INC**

**GHG Allowance Revenue Templates**

(See accompanying spreadsheet titled "Attachment A BVES GHG Allowance Revenue Templates")

*Notes:*

Utilities should complete the GHG Revenue and Reconciliation Application Form in accordance with the procedures described in Attachment D of Decision 14-10-033.

Gray shading indicates confidential information. However, additional information may be confidential based on a utility's particular circumstances.

**Template D-1: Annual Allowance Revenue Receipts and Customer Returns**

Line Description	2021		2022	
	Forecast	Recorded	Forecast	Recorded
1 Proxy GHG Price (\$/MT)	\$ 17.61	\$ 28.26	\$ 23.18	N/A
2 Allocated Allowances (MT)	44,894	44,651	44,649	
3 Revenues (\$)				
4 Prior Balance		-	\$ 1,261,837.26	
5 Allowance Revenue	\$ 790,583.34	\$ 1,261,837.26	\$ 1,034,963.82	
6 Interest	\$ -	\$ -		
7 Franchise Fees and Uncollectibles	\$ -	\$ -		
8 Subtotal Revenues	\$ 790,583.34	\$ 1,261,837.26	\$ 2,296,801.08	
9 Expenses (\$)				
10 Outreach and Administrative Expenses (from Template D3)	\$ (11,120.00)	\$ -	\$ (11,120.00)	
11 Franchise Fees and Uncollectibles	\$ -	\$ -		
12 Interest	\$ -	\$ -		
13 Subtotal Expenses	\$ (11,120.00)	\$ -	\$ (11,120.00)	
14 Allowance Revenue Approved for Clean Energy or Energy Efficiency Programs (\$)	\$ -	\$ -		
15 Net GHG Revenues (\$) (Line 8 + Line 13 + Line 14)	\$ 779,463.34	\$ 1,261,837.26	\$ 2,285,681.08	
16 GHG Revenues to be Distributed in Future Years (\$)		\$ 1,261,837.26		
17 Net GHG Revenues Available for Customers in Forecast Year (\$) (Line 15 + Line 16)	\$ 779,463.34	\$ -	\$ 2,285,681.08	
18 GHG Revenue Returned to Eligible Customers (\$)	\$ 779,463.34	\$ -	\$ 2,285,681.08	
19 EITE Customer Return	\$ -	\$ -		
20 Semi-Annual Climate Credit				
21 Number of Residential Bundled Households	22,935	22,935	22,935	
22 Number of Eligible Residential Unbundled Households	0	0	0	
23 Number of Eligible Small Business Customers	1,339	1,339	1,339	
24 Total Customers Eligible for Climate Credit	24,274	24,274	24,274	
25 Per-Customer Semi-Annual Climate Credit (0.5 x (Line 17 + Line 19) ÷ 24)	\$ (16.06)	\$ -	\$ (47.08)	
26 Total Revenue Distributed for the Climate Credit (\$) (2 x Line 24 x Line 25)	\$ (779,463.34)		\$ (2,285,681.08)	
27 Revenue Balance (\$) (Line 17 + Line 19 + Line 26)		\$ -	\$ -	

\* 2021 Proceeds were are a forecast at the time of the original filing.

## Template D-2: Annual GHG Emissions and Associated Costs

Line	Description	2021		2022	
		Forecast	Recorded	Forecast	Recorded
1	<b>Direct GHG Emissions (MTCO2e)</b>				
2	Utility Owned Generation (UOG)	-	-	-	-
3	Tolling Agreements	-	-	-	-
4	Energy Imports (Specified)	-	-	-	-
5	Energy imports (Unspecified)	-	-	-	-
6	Qualifying Facility (QF) Contracts	-	-	-	-
7	Contracts with Financial Settlement	-	-	-	-
8	<b>Subtotal</b>	-	-	-	-
9	<b>Total Emissions (MTCO2e)</b>	-	-	-	-
10	<b>Proxy GHG Price (\$/MT)</b>	\$ 17.61	-	\$ 23.18	-
11	<b>GHG Costs (\$)</b>				
12	Direct GHG Costs	-	-	-	-
13	Direct GHG Costs - Financial Settlement	-	-	-	-
14	Previous Year's Forecast Reconciliation (Line 16)	-	-	-	-
15	<b>Total Costs</b>	-	-	-	-
16	<b>Forecast Variance (\$)</b>		-		-

### Template D-3: Detail of Outreach and Administrative Expe

Line Description	2021		2022	
	Forecast	Recorded	Forecast	Recorded
<b>1 Utility Outreach Expenses (\$)</b>				
2 Detail of outreach activities		-		-
Mailer Design	\$ (500)		\$ (500)	
Print and Mail	\$ (10,000)		\$ (10,000)	
<b>3 Subtotal Outreach</b>	\$ (10,500)	-	\$ (10,500)	-
<b>4 Utility Administrative Expenses (\$)</b>				
5 Outreach and Administrative Expenses	\$ -	-	\$ -	-
Billing	\$ (200)		\$ (200)	
Customer Service	\$ (300)		\$ (300)	
Accounting	\$ (120)		\$ (120)	
<b>6 Subtotal Administrative</b>	\$ (620)	-	\$ (620)	-
<b>7 Utility Outreach and Administrative Expenses (\$) (Line 3 + Line 6)</b>	\$ (11,120)	-	\$ (11,120)	-
<b>8 Additional (Non-Utility) Statewide Outreach (\$)</b>	\$ -	-	\$ -	-
<b>9 Total Outreach and Administrative Expenses (\$) (Line 7 + Line 8)</b>	\$ (11,120)	-	\$ (11,120)	-

# **ATTACHMENT B**

**BEAR VALLEY ELECTRIC SERVICE, INC**  
**Data Filing for BVES in Accordance with D.20-10-002**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Review  
Climate Credits for Current Compliance with  
Statute and for Potential Improvements.

Rulemaking 20-05-002  
(Filed May 7, 2020)

**DATA FILING OF BEAR VALLEY ELECTRIC SERVICE, INC. (U 913 E)  
IN ACCORDANCE WITH D.20-10-002**

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November 16, 2020

*Attorneys for Bear Valley Electric Service, Inc.*

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Review Climate Credits for Current Compliance with Statute and for Potential Improvements.

Rulemaking 20-05-002  
(Filed May 7, 2020)

**DATA FILING OF BEAR VALLEY ELECTRIC SERVICE, INC. (U 913 E)  
IN ACCORDANCE WITH D.20-10-002**

In accordance with Ordering Paragraph 5 of Decision (“D.”) 20-10-002, Bear Valley Electric Service, Inc. (“BVES” or “Bear Valley”) provides “data regarding: 1) administrative and outreach expenses for processing the climate credits, and 2) the claim that allocations to Electric Distribution Utilities to account for the acceleration of the Renewables Portfolio Standard [‘RPS’] are adjusted by the California Air Resources Board [‘ARB’].”<sup>1</sup>

**I. Administrative and Outreach Expenses for Processing Climate Credits**

D.20-10-002 provides:

We direct Bear Valley to file, in this proceeding, detailed administration and outreach expense estimates to substantiate the claim that these expenses are higher than anticipated in the Straw Proposal attached to the Order establishing this rulemaking. Estimates should be based on the assumption that Bear Valley has zero [emissions-intensive trade-exposed] EITE entities and the small business credit is a flat credit distributed in the same months as the residential credits.<sup>2</sup>

As required by D.20-10-002, Bear Valley has developed detailed administration and outreach expense estimates. Bear Valley estimates that its administrative and outreach expenses for processing climate credits will cost approximately \$11,120 per year which includes one customer mailer (additional outreach will increase costs). Costs are lower than expected because Bear Valley’s billing system already contains the coding change necessary to distribute the funds as a

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<sup>1</sup> D.20-10-002, Ordering Paragraph 5.

<sup>2</sup> D.20-10-002, p. 20.



separate line item and the current billing stock has enough space remaining to properly display the credit. Additional administrative costs associated with distributing the credit will be absorbed by full-time staff and not outsourced to a third-party consultant. Table 1 below shows the itemized costs by category.

**Table 1 – BVES Itemized Costs by Category**

<b>Estimated Costs</b>	
<b>Outreach</b>	
Mailer Design	\$500
Print and Mail (one mail campaign only)	\$10,000
Subtotal	<b>\$10,500</b>
<b>Labor</b>	
Billing	\$200
Customer Service	\$300
Accounting	\$120
Subtotal	<b>\$620</b>
<b>TOTAL</b>	<b>\$11,120</b>

## II. Future Climate Credit Allocations

D.20-10-002 also directs Bear Valley to “include information regarding its claim that its allocations may decrease in the future if/when ARB adjusts allocations to Electric Distribution Utilities to account for the acceleration of the Renewable Portfolio Standard.”<sup>3</sup> Bear Valley previously described how it “anticipates that its allocations may decrease in the future if/when the ARB adjusts allocations to Electric Distribution Utilities (‘EDU’) to account for the acceleration of the RPS (a key input into the calculation of EDU allocations).”<sup>4</sup> This statement was made based on ARB discussions involving the prospect of reducing allocations due to the SB 100 acceleration of RPS requirements and the use of the RPS as a factor in the Cap-and-Trade allowance allocation procedures. As noted in the ARB’s Final Statement of Reasons for

<sup>3</sup> D.20-10-002, p. 20.

<sup>4</sup> See July 24, 2020 Joint Response of Bear Valley Electric Service, Inc., Liberty Utilities (CalPeco Electric) LLC, and PacifiCorp to Questions in the Assigned Commissioner’s Scoping Memo and Ruling, p. 5, available at: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M344/K068/344068411.PDF>.

Rulemaking, Including Summary of Comments and Agency Responses, “ARB Staff indicated that they would bring back potential changes to EDU allowance allocations due to the increase in the RPS enacted by SB 100, perhaps in a new rulemaking next year.”<sup>5</sup> Similarly, the “ARB has publicly signaled that it plans to amend the utilities 2020 – 2030 allocations to address the accelerated RPS requirements of SB 100.”<sup>6</sup> Based on these indications from the ARB, Bear Valley believes that its future allocations may decrease.

### III. Conclusion

Bear Valley appreciates this opportunity to provide information to the Commission and looks forward to working with the Commission and other parties to further refine and develop requirements related to climate credits.

DATED: November 16, 2020

Respectfully submitted,

By: \_\_\_\_\_ /s/

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<sup>5</sup> Air Resources Board Final Statement of Reasons for Rulemaking, Including Summary of Comments and Agency Responses, p. 688, available at: [https://ww3.arb.ca.gov/regact/2018/capandtrade18/ct18fsor.pdf?\\_ga=2.183068325.2087153496.1605456197-604657534.1536771109](https://ww3.arb.ca.gov/regact/2018/capandtrade18/ct18fsor.pdf?_ga=2.183068325.2087153496.1605456197-604657534.1536771109).

<sup>6</sup> *Id.* at 692.