



# 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) #: 463-E

Tier Designation: 2

Subject of AL: Establishment of the Transportation Electrification FC1 Program Balancing Account

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

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.22-11-040

Does AL replace a withdrawn or rejected AL?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Summarize differences between the AL and the prior withdrawn or rejected AL: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: 2/18/23

No. of tariff sheets: 3

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, Table of Contents

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

Name: Ronald Moore  
Title: Senior Regulatory Analyst  
Utility Name: Bear Valley Electric Service, Inc  
Address: 630 E. Foothill Blvd  
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Bear Valley Electric Service, Inc.  
P.O. Box 9028  
San Dimas, CA 91773-9028  
A Subsidiary of American States Water Company

January 19, 2023

Advice Letter No. 463-E

(913 E)

# California Public Utilities Commission

Bear Valley Electric Service, Inc. hereby transmits for filing the following:

**SUBJECT:** Establishment of the Transportation Electrification FC1 Program  
Balancing Account (“TEBA”) in Compliance with Ordering Paragraph 4  
of Decision No. 22-11-040

## **PURPOSE**

In compliance with Ordering Paragraph (“OP”) 4 of Decision No. (“D.”) 22-11-040, adopted on November 17, 2022, Bear Valley Electric Service, Inc. (“BVES”) hereby submits this Tier 2 advice letter (“AL”) to establish the TEBA, a separate one-way balancing account to track costs for the Funding Cycle 1 Transportation Electrification program.

## **BACKGROUND**

In December 2018, the California Public Utilities Commission (“Commission”) opened Rulemaking (“R.”) 18-12-006 which sought to establish a Transportation Electrification (“TE”) Framework to address a multitude of issues related to TE investments for BVES and other California investor-owned utilities (“IOUs”).

On November 21, 2022, D.22-11-040 was issued which adopted a long-term transportation electrification policy framework that included a third-party administered statewide transportation electrification infrastructure rebate program and directs the California electrical corporation to jointly fund the program and associated activities. Specifically, OP 4 of the Decision directs the IOUs to establish a one-way subaccount within the existing TE balancing account or a separate one-way balancing account to track costs for the Funding Cycle 1. OP 4 states,

*Within 60 days of the issuance date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Liberty Utilities (CalPeco Electric) LLC, Bear Valley Electric Service Inc., and PacifiCorp d/b/a Pacific Power, collectively the investor-owned utilities (IOUs), shall each file a Tier 2 Advice Letter to establish a one-way sub-account within their existing TE balancing account or separate*

*one-way balancing account to track costs for the Funding Cycle 1 (FC1) program. This decision approves a \$1 billion budget for the FC1 program. The IOUs may access up to 60 percent of FC1 funds within the first three-years of the FC1 program, which shall begin on January 1, 2025. Each sub-account or balancing account shall be capped at \$600 million for the first three years and the percentage of electric sales for the IOU in 2024. Each IOU shall disburse appropriate funds to the Program Administrator. Total FC1 rebate funding in each IOU's service territory shall be capped based on each IOU's funding contribution, after deducting costs for program administration, technical support and evaluations, the Locally Invested Transportation Equity (LITE) pilot program, Technical Assistance (TA) programs, and marketing, education, and outreach (ME&O) programs. For the first three years, program administrative costs, including both IOU and Program Administrator administrative expenses, shall be capped at \$48 million, or eight percent of the utilized portion of the approved FC1 program budget of \$600 million, whichever is lower; TA program costs shall be capped at \$36 million, or six percent of the utilized portion of the approved FC1 program budget of \$600 million, whichever is lower; ME&O program costs shall be capped at \$36 million, or six percent of the utilized portion of the approved FC1 program budget of \$600 million, whichever is lower; and costs for an IOU-managed program evaluation shall be capped at \$3 million. Costs for a technical support and evaluation budget, managed by the Commission's Energy Division (ED) staff, shall be capped at \$3 million annually from 2023 through 2029, or a total of \$21 million. Costs for the ED-managed technical support and evaluation budget are not included in the \$1 billion FC1 program budget. Costs for the LITE pilot program shall be capped at \$25 million. Program Administrator costs shall be subject to audit or review by the Commission's Utility Audit, Risk, and Compliance Division. ED staff is authorized to request additional audits or broaden the scope of the audit.*

In accordance with OP 4, BVES is establishing the TEBA, which is a separate one-way balancing account, to track costs for the Funding Cycle 1 ("FC1") program. D.22-11-040 approves a \$1 billion dollar budget for the FC1 program, up to 60% of FC1 funds may be accessed within the first three-years of the FC1 program, which shall begin on January 1, 2025. The TEBA will also track the administrative costs to launch the FC1 program, which will be incurred prior to 2025. The cap of \$600 million for the first three-years of the FC1 program will be allocated to each Investor-Owned Utility ("IOU"), including BVES, based on the percentage of electric sales for the IOU in 2024. BVES shall disburse appropriate funds to the Program Administrator. Total FC1 rebate funding in BVES's service territory shall be capped based on BVES funding contribution, after deducting costs for program administration, technical support and evaluations, Technical Assistance ("TA") programs, and marketing, education, and

outreach (“ME&O”) programs. For the first three-years, program administrative costs, including both IOUs and Program Administrator administrative expenses, shall be capped at eight percent of the utilized portion of the approved FC1 program budget; TA program costs shall be capped at six percent of the utilized portion of the approved FC1 program budget; ME&O program costs shall be capped at six percent of the utilized portion of the approved FC1 program budget; costs for an IOU-managed program evaluation shall be capped at \$3 million.

### **COMPLIANCE**

This advice letter is in full compliance with OP 4 in D.22-11-040.

### **TIER DESIGNATION**

This advice letter is submitted with a Tier 2 designation.

### **EFFECTIVE DATE**

BVES is requesting that this filing become effective on February 18, 2023.

### **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 mailed 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

ATTN: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

Copies of any such protests should be sent to this utility at:

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/Ronald Moore  
Ronald Moore  
Regulatory Affairs Department  
Bear Valley Electric Service, Inc.

cc: Laura Martin , Energy Division  
R. Mark Pocta, California Public Advocates Office  
BVES General Order 96-B Service List

PRELIMINARY STATEMENT  
Transportation Electrification FC1 Program Balancing Account

**BBB. Transportation Electrification FC1 Program Balancing Account**

(N)

1. **PURPOSE**

The Transportation Electrification FC1 Program Balancing Account (TEBA) is a one-way balancing account which records the costs associated with the Funding Cycle 1 (FC1) program, including pre-program administrative costs prior to FC1 launch. The passage of AB 841 and the resulting EV Infrastructure Rules clarified the scope and magnitude of the Investor-Owned Utilities' (IOU) transportation electrification role to support and enable the transportation electrification market by acting as utility-side infrastructure and fuel providers. The FC1 program will help the state meet its transportation electrification goals by reducing the installation costs for EV charging infrastructure. The five-year funding cycle timeline provides clarity, certainty, and a reasonable timeframe for the periodic evaluation of the need for IOU behind-the-meter transportation electrification investments. This balancing account was authorized in Decision No. 22-11-040, Ordering Paragraph No. 4.

2. **APPLICABILITY**

The Program Administrator shall be responsible for the Rebate Program Rulebook and the Implementation Plan. The Rebate Program Rulebook shall contain information about the rebate and marketing, education, and outreach (ME&O) programs, customer rules, and program delivery rules. This is the practical information that the Program Administrator will use to implement the FC1 program.

3. **RATES**

The TEBA costs shall be recovered through distribution rates allocated on an equal per kilowatt hour basis applied to all customer classes.

4. **ACCOUNTING PROCEDURES**

BVES shall maintain the TEBA by recording the following entries at the end of each month:

- a) A debit entry equal to costs associated with the FC1 program; disbursement of appropriate funds to the Program Administrator, costs for program administration, technical support and evaluations, Technical Assistance (TA) programs, and ME&O programs.
- b) A credit entry equal to the revenue collected through the per kilowatt hour rate allocated to all customer classes included in distribution rates.
- c) An entry equal to reflect any transfers to other regulatory accounts for recovery in rates, as authorized by the Commission; and
- d) An entry to record the interest on the average balance at the beginning of the month and the balance after the entries above, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

(N)

(Continued)

Advice Letter No. 463-E  
Decision No. 22-11-040

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

Date Filed January 19, 2023  
Effective February 18, 2023  
Resolution No. \_\_\_\_\_

PRELIMINARY STATEMENT  
Transportation Electrification FC1 Program Balancing Account

**BBB. Transportation Electrification FC1 Program Balancing Account (TEBA) Con'td**

5. **EFFECTIVE DATE**

The TEBA shall be effective on February 18, 2023.

6. **DISPOSITION**

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

(N)  
|  
(N)



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:

<u>Subject Matter of Sheet</u>	Sheet No.
Title Page	2845-E
Table of Contents	3366-E, 3341-E, 3340-E, 3339-E (T)
Preliminary Statements	935-E, 1590-E*, 1591-E*, 2381-E*, 2382-E*, 1594-E*, 1595-E*, 1596-E*, 1597-E*, 3209-E, 2177-E, 3259-E, 2985-E, 2986-E, 2602-E, 2603-E*, 1604-E*, 1605-E*, 1606-E*, 1611-E*, 1650-E, 2201-E, 2715-E, 2716-E, 2865-E, 1928-E, 1929-E, 1946-W, 2028-E, 2032-E, 2034-E, 2817-E, 2818-E, 2483-E, 2484-E, 2485-E, 2486-E, 2487-E, 2174-E, 2175-E, 2443-E, 2444-E, 2463-E, 2554-E, 2565-E, 2768-E, 2612-E, 2633-E, 2651-E, 2653-E, 2662-E, 2866-E, 2800-E*, 2863-E, 3134-E, 3091-E, 3092-E, 3093-E, 3095-E*, 3224-E, 3343-E, 3364-E, 3365-E (P)(C)
Tariff Area Map	1140-E
<b>Rate Schedules:</b>	
No. A-1 General Service	3348-E, 3319-E
No. A-2 General Service	3349-E, 1838-E
No. A-3 General Service	3350-E, 1840-E
No. A-4 General Service- TOU	3351-E, 1842-E, 1843-E
No. A-5 TOU Primary	3352-E, 3297-E, 1846-E
No. A-5 TOU Secondary	3353-E, 3299-E, 1849-E
No. D Domestic Service - Single-family Accommodation	3354-E, 3321-E, 3322-E
No. DE Domestic Service to Company Employees	3355-E, 3324-E
No. DLI Domestic Service - CARE Rate	3356-E, 3034-E, 1857-E, 3284-E
No. DM Domestic Service - Multi-family Accommodation	3357-E, 3328-E, 3286-E
No. DMS Domestic Service -Multi-family Accommodation Sub-metered	3358-E, 3359-E, 3331-E
No. DO Domestic Service – Other	3360-E, 3290-E
No. NEM-L Net Energy Metering- Large	1931-E, 1932-W, 1933-E, 1934-E, 1935-E
No. NEM-S Net Energy Metering- Small	1936-E, 1937-E, 1938-E, 1939-E, 1940-E
No. GSD General Service Demand – Camp Oaks	3361-E, 1868-E
No. SL Street Lighting Service	3362-E, 2709-E
No. SSC Special Service Charges	3241-E, 2711-E
No. S Standby Standby Service	3068-E, 2160-E, 2161-E
No. SMO Smart Meter Opt-Out Residential Service	2445-E
No. PPC-LI Public Purpose Charge - Low Income	3273-E
No. PPC-OLI Public Purpose Charge - Other Than Low Income	3274-E
No. UF-E Surcharge to Fund PUC Utilities Reimbursement Account Fee	2861-E
No. TOU-EV-1 General Service Time of Use Electric Vehicle Charging	3334-E, 2606-E
No. TOU-EV-2 General Service Time of Use Electric Vehicle Charging	3335-E, 3336-E
No. TOU-EV-3 General Service Time of Use Electric Vehicle Charging	3337-E, 3338-E
No. DGS Distributed Generation Service Program	3169-E, 2789-E, 2790-E
No. DGS NEM-L Distributed Generation Service Net Energy Metering-Large	2833-E, 2834-E, 2835-E
No. DGS NEM-S Distributed Generation Service Net Energy Metering-Small	2836-E, 2837-E, 2838-E

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Advice Letter No. 463-E  
 Decision No. 22-11-040

Issued By  
*Paul Marconi*  
 President

Date Filed January 19, 2023  
 Effective February 18, 2023  
 Resolution No. \_\_\_\_\_

**GOLDEN STATE WATER COMPANY**

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

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