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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Bear Valley Electric Service, Inc. (U 913 E) for a Certificate of Public Convenience and Necessity to Acquire, Own, and Operate the Bear Valley Solar Energy and Battery Storage Projects and Authorize Ratemaking Associated with the Projects Capital Investment and Operating Expenses.

Application 24-05-020

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Procedural Background

On May 17, 2024, Bear Valley Electric Service, Inc. (BVES) filed Application 24-05-020 requesting Commission approval to enter into two engineering, planning, and construction agreements with EDF Renewable Solutions for the development of:

1. A solar generating facility (Solar Project); and
2. battery energy storage facility (Battery Storage Project).

BVES would own and operate the two projects upon construction. BVES also requested to include both the Solar Project and the Battery Storage Project in its revenue requirement upon completion of construction.

For the Solar Project, BVES proposed a 5-megawatt (MW) alternating current (AC)/6.10 MW direct current (DC) solar photovoltaic (PV) system using bi-facial solar modules, a single axis tracking system, and Chint Power Systems inverters (or equivalent technologies). BVES proposed to construct the Solar Project on 21 acres at 2151 Erwen Ranch Rd., Big Bear City, California in San Bernardino County. BVES proposed to interconnect the Solar Project to the nearest existing 34.5 kV circuit, approximately 1.8 miles from the Solar Project's site. Per the application, the proposed project is forecasted to produce 14,044 megawatt-hours (MWh) per year, and supply approximately 10 percent of BVES annual retail sales.

For the Battery Storage Project, BVES proposed a 5 MW/20 MWh battery energy storage system designed to support a range of alternating current (AC) power and energy. The Battery Storage Project is proposed to be located inside the fence line of BVES's pre-existing Meadow Substation at 42020 Garstin Drive, Big Bear Lake, California. The Battery Project will interconnect directly to the Meadow Substation, the central hub for all of BVES's distribution connections.

On June 28, 2024, the Commission's Public Advocates Office (Cal Advocates) filed a timely protest to the application. BVES filed a reply on July 8, 2024.

A prehearing conference was held on November 14, 2024, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. After considering the application, protest, reply, and discussion at the prehearing conference, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

2. Issues

1. Should the Commission authorize BVES to develop and operate the Solar Project?
 - a. Does the Solar Project comply with all the requirements of Public Utilities Code Section 399.14?
 - b. Is the net benefit of the Solar Project to ratepayers reasonable in light of its costs and rate impacts?
 - i. Is the Solar Project the most cost-efficient method for BVES to fulfill its unmet RPS requirements?
 - c. Should the Commission authorize BVES to enter into the proposed engineering, procurement and construction agreement (Solar EPC) for the Solar Project?
 - i. Was the Request for Proposals for the Solar Project properly conducted?
 - ii. Was the selected bid reasonable compared to similar projects?
 - iii. Is the proposed Solar EPC reasonable and in the public interest?
 - d. What is the reasonable and prudent maximum cost for the construction of the Solar Project and the cost of initial operation of the Solar Project?
 - e. Will further analysis and approvals by the Commission be required prior to construction of the Solar Project?
2. Should the Commission authorize BVES to develop and operate the Battery Storage Project consistent with Public Utilities Code Section 451?
 - a. Is there need for the Battery Storage Project?
 - b. Is the technology proposed appropriate?
 - c. Does the Battery Storage Project provide best value to BVES' customers in terms of greenhouse gas emissions, peak demand reduction, reliability, investment deferral, and reduced power outage risk?

- d. Should the Commission authorize BVES to enter into the proposed engineering, procurement and construction agreement (Battery Storage EPC) for the Battery Storage Project?
 - i. Was the Request for Proposals for the Battery Storage Project properly conducted?
 - ii. Was the selected bid reasonable compared to similar projects?
 - iii. Is the proposed Battery Storage EPC reasonable and in the public interest?
- e. Is the net benefit to ratepayers reasonable in light of its costs and rate impacts?
- f. Should the Battery Storage project and its estimated rate impact be authorized outside of BVES's upcoming General Rate Case?

3. Need for Evidentiary Hearing

In protest and at the prehearing conference, the parties asserted that an evidentiary hearing may be needed. Accordingly, I have included an evidentiary hearing in the schedule.

Parties shall meet and confer to identify, clarify, and narrow contested facts and issues and explore the possibility of settlement or stipulations in lieu of evidentiary hearings.

BVES shall coordinate with parties to file and serve a Joint Case Management Statement by May 30, 2025, with the following information:

- 1. A list of stipulated facts;
- 2. The status of any settlement negotiations;
- 3. Either:
 - (i) A waiver of evidentiary hearings from all parties; or
 - (ii) A list of disputed material facts that require an evidentiary hearing, with an explanation of which parties request an evidentiary hearing and why these

facts could not be elicited through data requests or another format; and

4. Any request for an evidentiary hearing must include estimates of the amount of time needed to address each disputed material fact.

4. Schedule

The following schedule is adopted here and may be modified by the Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the application:

Event	Date
Applicant supplemental testimony ¹	March 26, 2025
Intervenors' prepared direct testimony served	April 25, 2025
Prepared rebuttal testimony served	May 16, 2025
Meet and confer	April/May 2025
Joint Case Management Statement	May 30, 2025
Evidentiary hearing, if needed	June 2025
Opening briefs	28 days after the close of evidentiary hearings, if held ²
Reply briefs	21 days after opening briefs
Proposed decision	No later than 90 days after matter is submitted
Commission decision	No earlier than 30 days after mailing of the proposed decision

The proceeding will stand submitted upon the filing of reply briefs, unless the ALJ requires further evidence, briefing, or argument. Based on this schedule,

¹ Applicant to file and serve a 15-page summary that answers each issue question with citation to the previously provided application and testimony. In the supplemental testimony, the Applicant shall also discuss whether the Solar Project is consistent with BVES' Renewable Portfolio Standards Procurement Plan and portfolio needs.

² If no evidentiary hearings are held, briefing shall be due 28 days after the ALJ ruling determining that no evidentiary hearings will be held.

the proceeding will be resolved within 18-months as required by Public Utilities Code Section 1701.5.

5. Alternative Dispute Resolution (ADR) Program and Settlements

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.³

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

6. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination⁴ that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

7. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this

³ <https://www.cpuc.ca.gov/PUC/adr/>

⁴ Resolution ALJ-176-3547 at page 1.

proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

8. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by December 14, 2024, 30-days after the prehearing conference.

9. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

10. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/public-advisors-office> or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to: public.advisor@cpuc.ca.gov.

11. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is

correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.⁵

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. When serving documents on the assigned ALJ, parties must only provide electronic service.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information-Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other

⁵ The form to request additions and changes to the Service list may be found at <https://www.cpsc.ca.gov/-/media/cpsc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

12. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive e-mails from the Commission. Please add “@cpuc.ca.gov” to your e-mail safe sender list and update your e-mail screening practices, settings and filters to ensure receipt of e-mails from the Commission.

13. Assignment of Proceeding

John Reynolds is the assigned Commissioner. Trevor Pratt is the assigned ALJ and presiding officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is described above and is adopted.
2. The schedule of this proceeding is set forth above and is adopted.
3. Evidentiary hearing may be needed.
4. The presiding officer is Administrative Law Judge Trevor Pratt.
5. The category of the proceeding is ratesetting.

Dated February 24, 2025, at San Francisco, California.

/s/ JOHN REYNOLDS

John Reynolds
Assigned Commissioner