Via Electronic Filing

August 10, 2026

Forest Kaser, Director
Office of Energy Infrastructure Safety
715 P Street, 20th Floor
Sacramento, CA 95814
Forest.Kaser @energysafety.ca.gov
Docket #2025 EC AIR

RE: *Bear Valley Electric Service, Inc. 2025 Electrical Corporation Annual Implementation Report Pursuant to Public Utilities Code Section 8386.3(b)(1).- Resubmission of EC AIR Attachment D*

Dear Director Forest Kaser,

This report serves as Bear Valley Electric Service, Inc.'s ("BVES's" or "Bear Valley") response to Public Utilities Code ("PUC") §8386.3(b)(1), where an electrical corporation ("EC") must file with the Office of Energy Infrastructure Safety ("Energy Safety") a self-evaluation report addressing the electrical corporation's implementation of its approved Wildfire Mitigation Plan (WMP) during an implementation period. The Independent Evaluator (IE) conducting Bear Valley's IE Annual Implementation Report (AIR) identified items that require correction in Attachment D to Bear Valley's 2025 Electrical Corporation Annual Implementation Report. This letter forwards revised Attachment D to BVES' 2025 EC AIR.

If you have any questions or requests for additional information, please contact me at paul.marconi@bvesinc.com.

Sincerely,
//s// Paul Marconi
Paul Marconi
President, Treasurer and Secretary
Bear Valley Electric Service, Inc.

Utility Initiative Tracking ID	Utility Initiative Name	2025 Forecast CAPEX ($000)	2025 Forecast OPEX ($000)	2025 Actuals CAPEX ($000)	2025 Actuals OPEX ($000)	CAPEX ($000) Variance Overrun / (Underrun)	CAPEX (%) Variance Overrun / (Underrun)	OPEX ($000) Variance Overrun / (Underrun)	OPEX (%) Variance Overrun / (Underrun)	Variance Drivers (Results +/- 10%)
COE_1	Public outreach and education awareness program	$0.0	$95.5	$0.0	$131.1	$0.0	NA	$35.6	37.3%	OPEX overrun. Higher than estimated costs of advertising and contracted public relations services drove this cost higher than forecasted.
COE_2	Engagement with access and functional needs populations	$0.0	$31.8	$0.0	$41.6	$0.0	NA	$9.8	30.8%	OPEX overrun. Higher than estimated costs of advertising and contracted public relations services drove this cost higher than forecasted.
COE_3	Collaboration on local wildfire mitigation planning	$0.0	$24.0	$0.0	$30.5	$0.0	NA	$6.5	27.1%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($24 thousand); therefore, it does not take much expense to significantly cause a cost variance.
COE_4	Best practice sharing with other utilities	$0.0	$15.7	$0.0	$20.7	$0.0	NA	$5.0	31.8%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($15.7 thousand); therefore, it does not take much expense to significantly cause a cost variance.
EP_1	Emergency preparedness plan	$0.0	$5.0	$0.0	$6.6	$0.0	NA	$1.6	32.0%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($5 thousand); therefore, it does not take much expense to significantly cause a cost variance.
EP_2	External collaboration and coordination	$0.0	$22.7	$0.0	$30.8	$0.0	NA	$8.1	35.7%	OPEX overrun. Costs for attending Joint IOU workshops and wildfire mitigation related conferences were higher than estimated. This budget item is small ($22 thousand); therefore, it does not take much expense to significantly cause a cost variance.
EP_3	Public emergency communication strategy	$0.0	$4.4	$0.0	$5.9	$0.0	NA	$1.5	34.1%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($4.4 thousand); therefore, it does not take much expense to significantly cause a cost variance.
EP_4	Preparedness and planning for service restoration	$0.0	$6.0	$0.0	$7.9	$0.0	NA	$1.9	31.7%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($6 thousand); therefore, it does not take much expense to significantly cause a cost variance.
EP_5	Customer support in wildfire and PSPS emergencies	$0.0	$3.7	$0.0	$4.8	$0.0	NA	$1.1	29.7%	OPEX overrun. Costs were higher than estimated to due more labor hours dedicated to this effort. All necessary activities planned for 2025 were achieved. This budget item is small ($3.7 thousand); therefore, it does not take much expense to significantly cause a cost variance.
GD_1	Covered Conductor Replacement Project	$1,840.6	$0.0	$5,572.7	$0.0	$3,732.1	202.8%	$0.0	NA	CAPEX overrun. BVES exceeded annual target. The annual target was purposely exceeded due to system conditions permitting additional project work.
GD_2	Radford Line Replacement Project	$0.0	$0.0	$117.1	$0.0	$117.1	100.0%	$0.0	NA	CAPEX overrun. This project was completed in November 2024 and the budget for 2025 was $0.0. The CAPEX expenses incurred in 2025 were due to invoices received in January 2025.
GD_3	Minor Undergrounding Upgrades Projects	$301.2	$0.0	$172.6	$0.0	-$128.6	-42.7%	$0.0	NA	CAPEX underrun. UG projects that BVES engages in are generally driven by the customer or local government and are generally new facilities. In 2025 and 2024, they were less than budget. In 2023, minor UG projects was overrun by $524.9 thousand. Year-to-year variations are high due to the projects being customer and local government driven.
GD_4	Covered Conductor Replacement Project	$788.8	$0.0	$2,388.3	$0.0	$1,599.5	202.8%	$0.0	NA	CAPEX overrun BVES exceeding annual target. The annual target was purposely exceeded due to system conditions permitting additional project work.
GD_5	Radford Line Replacement Project	$0.0	$0.0	$50.2	$0.0	$50.2	100.0%	$0.0	NA	CAPEX overrun. This project was completed in November 2024 and the budget for 2025 was $0.0. The CAPEX expenses incurred in 2025 were due to invoices received in January 2025.
GD_6	Evacuation Route Hardening Project	$794.1	$0.0	$540.4	$0.0	-$253.7	-31.9%	$0.0	NA	CAPEX underrun. Annual target for 2025 was achieved (actually exceeded) at lower than budgeted. Labor was less than originally estimated.
GD_7	Transmission pole/tower replacements and reinforcements	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	NA - BVES does not own or operate transmission assets.
GD_8	Traditional overhead hardening	$803.3	$0.0	$1,011.5	$0.0	$208.2	25.9%	$0.0	NA	CAPEX overrun. CPAEX Overrun was due to additional overhead hardening work being conducted than estimated. In addition to resolving asset inspection findings, BVES has been proactively replacing non-exempt equipment (e.g. arresters) and splices.
GD_9	Emerging grid hardening technology installations and pilots	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	NA - BVES does not have any pilot projects or programs for novel grid hardening technology.
GD_10	Bear Valley Solar Energy Project	$13,578.4	$0.0	$702.2	$0.0	-$12,876.2	-94.8%	$0.0	NA	CAPEX underrun. In 2025, BVES was waiting for CPUC approval which was not approved until December 18, 2025.BVES was unable to continue next step of of Bear Valley Solar Energy Project process.
GD_11	Energy Storage Project	$10,342.0	$0.0	$32.5	$0.0	-$10,309.5	-99.7%	$0.0	NA	CAPEX underrun. In 2025, BVES was waiting for CPUC approval which was not approved until December 18, 2025. Afterwards, BVES issued a notice to proceed to its developer for the project.
GD_12	Substation Automation	$640.2	$0.0	$364.4	$0.0	-$275.8	-43.1%	$0.0	NA	CAPEX underrun. Annual target was achieved. Two substations automation projects were accomplished as part of rebuilding those substations. The cost of automating those substations was included in the rebuild project budget.
GD_13	Switch and Field Device Automation	$640.2	$0.0	$1,370.6	$0.0	$730.4	114.1%	$0.0	NA	CAPEX overrun. Overrun was due to higher costs than estimated for the switches and communications equipment and higher labor costs (more labor hours) than estimated to achieve proper connectivity with the switches to the SCADA system. Additionally, BVES hired a 3rd party to test the switches once received from the vendor prior to installing the switches as necessary quality control step; this had not been planned in the original budget.
GD_14	Capacitor Bank Upgrade Project	$311.5	$0.0	$594.1	$0.0	$282.6	90.7%	$0.0	NA	CAPEX overrun. Overrun was due to higher costs than estimated for the capacitor banks and communications equipment and higher labor costs (more labor hours) than estimated to achieve proper connectivity with the capacitor banks to the SCADA system. Additionally, BVES hired a 3rd party to test the capacitor banks once received from the vendor prior to installing the capacitor banks as necessary quality control step; this had not been planned in the original budget.

Utility Initiative Tracking ID	Utility Initiative Name	2025 Forecast CAPEX ($000)	2025 Forecast OPEX ($000)	2025 Actuals CAPEX ($000)	2025 Actuals OPEX ($000)	CAPEX ($000) Variance Overrun / (Underrun)	CAPEX (%) Variance Overrun / (Underrun)	OPEX ($000) Variance Overrun / (Underrun)	OPEX (%) Variance Overrun / (Underrun)	Variance Drivers (Results +/- 10%)
GD_15	Fuse TripSaver Automation	$133.6	$0.0	$400.4	$0.0	$266.8	199.7%	$0.0	NA	CAPEX overrun. Overrun was due to higher costs than estimated for the communications equipment and higher labor costs (more BVES and contracted labor hours) than estimated to achieve proper connectivity with the Fuse TripSavers to the SCADA system.
GD_16	Server Room	$0.0	$0.0	$42.6	$0.0	$42.6	100.0%	$0.0	NA	CAPEX overrun. This project, which was planned for 2023 and 2024, had additional equipment and labor costs that were carried over into 2025. The CAPEX budget for 2025 was $0.0.
GD_17	Distribution Management Center	$0.0	$0.0	$11.9	$0.0	$11.9	100.0%	$0.0	NA	CAPEX overrun. This project, which was planned for 2024, had additional equipment and labor costs that were carried over into 2025. The CAPEX budget for 2025 was $0.0.
GD_18	Line removals (in HFTD)	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	NA
GD_19	Tree Attachment Removal Project	$592.7	$0.0	$861.9	$0.0	$269.2	45.4%	$0.0	NA	CAPEX overrun. Higher material and labor costs resulted in the CAPEX spend being higher than projected.
GD_20	Other grid topology improvements to mitigate or reduce PSPS events	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	Less than 10% variance.
GD_21	BVPP Phase 4 Upgrade Project	$0.0	$0.0	$79.5	$0.0	$79.5	100.0%	$0.0	NA	CAPEX overrun. This project, which was planned for 2024, had additional equipment and labor costs that were carried over into 2025. The CAPEX budget for 2025 was $0.0.
GD_22	Partial Safety and Technical Upgrades to Maltby Substation	$1,777.5	$0.0	$1,896.6	$0.0	$119.1	6.7%	$0.0	NA	Less than 10% variance.
GD_23	Safety and Technical Upgrades to Lake Substation	$0.0	$0.0	$1,374.5	$0.0	$1,374.5	100.0%	$0.0	NA	CAPEX Overrun. Due to longer substation equipment leadtime, BVES ordered substation equipment in 2025 to accommendate the construction schedule in 2026.
GD_25	Detailed Inspections	$0.0	$14.3	$0.0	$31.3	$0.0	NA	$17.0	118.9%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
GD_26	Patrol Inspections	$0.0	$33.4	$0.0	$73.0	$0.0	NA	$39.6	118.6%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
GD_27	UAV Thermography	$0.0	$74.1	$0.0	$61.3	$0.0	NA	($12.8)	-17.3%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
GD_28	UAV HD Photography/Videography	$0.0	$74.1	$0.0	$59.5	$0.0	NA	($14.6)	-19.7%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
GD_29	LiDAR Inspection	$0.0	$76.2	$0.0	$85.4	$0.0	NA	$9.2	12.0%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
GD_30	3rd Party Ground Patrol	$0.0	$61.5	$0.0	$16.4	$0.0	NA	($45.1)	-73.3%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
GD_31	Intrusive Pole Inspections	$0.0	$19.7	$0.0	$38.4	$0.0	NA	$18.7	94.9%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
GD_32	Substation inspections	$0.0	$291.7	$0.0	$335.2	$0.0	NA	$43.5	14.9%	OPEX overrun. Costs were higher than estimated due to more labor hours dedicated and contracted portion of substation inspections (equipment testing) was achieved at a higher cost than estimated. Annual target was achieved.
GD_33	Equipment maintenance and repair	$0.0	$1,105.4	$0.0	$1,352.2	$0.0	NA	$246.8	22.3%	OPEX overrun. Costs were higher than estimated due to more labor hours dedicated to conducting equipment maintenance and repair in response to inspection findings and storm damage.
GD_34	Asset management and inspection enterprise system(s)	$0.0	$59.4	$0.0	$46.0	$0.0	NA	($13.4)	-22.6%	OPEX underrun. Costs associated with updating and maintaining the asset management and inspection enterprise systems(s) were lower than forecasted due to lower than estimated labor costs.
GD_35	Asset Quality assurance / quality control	$0.0	$20.9	$0.0	$27.6	$0.0	NA	$6.7	32.1%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved.
GD_36	Asset Open work orders	$0.0	$18.3	$0.0	$24.2	$0.0	NA	$5.9	32.2%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved.
GD_37	Equipment Settings to Reduce Wildfire Risk	$0.0	$5.2	$0.0	$6.9	$0.0	NA	$1.7	32.7%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved. This budget item is small ($5.2 thousand); therefore, it does not take much expense to significantly cause a cost variance.
GD_38	Grid Response Procedures and Notifications	$0.0	$9.2	$0.0	$12.1	$0.0	NA	$2.9	31.5%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved. his budget item is small ($9.2 thousand); therefore, it does not take much expense to significantly cause a cost variance.
GD_39	Personnel Work Procedures and Training in Conditions of Elevated Fire Risk	$0.0	$3.9	$0.0	$5.2	$0.0	NA	$1.3	33.3%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved. This budget item is small ($3.9 thousand); therefore, it does not take much expense to significantly cause a cost variance.
GD_40	Asset Workforce Planning	$0.0	$6.5	$0.0	$8.6	$0.0	NA	$2.1	32.3%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved.
RMA_1	Technosylva Contractor. Program implemented and ongoing.	$0.0	$84.8	$0.0	$378.4	$0.0	NA	$293.6	346.2%	OPEX overrun. Additional contracted expenses were higher than initially planned due to BVES working with contractor (Direxyon) to further develop Utility Risk Model.
SAF_1	Advanced weather monitoring and weather stations	$0.0	$7.5	$0.0	$57.4	$0.0	NA	$49.9	665.3%	OPEX overrun. Labor and replacement parts to maintain the weather stations was higher than estimated. All weather stations were properly serviced.
SAF_2	Install Fault Indicators	$0.0	$0.0	$279.0	$0.0	$279.0	100.0%	$0.0	NA	CAPEX overrun. This project, which was planned for 2023 and 2024, had additional equipment and labor costs that were carried over into 2025. The CAPEX budget for 2025 was $0.0.
SAF_3	Online Diagnostic System	$75.9	$0.0	$72.7	$0.0	-$3.2	-4.2%	$0.0	NA	Less than 10% variance.
SAF_4	HD ALERTWildfire Cameras	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	Less than 10% variance.

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SAF_5	Weather forecasting	$0.0	$67.5	$0.0	$79.4	$0.0	NA	$11.9	17.6%	OPEX overrun. Contracted expenses were higher than initially planned.
SAF_6	Fire potential index	$0.0	$50.9	$0.0	$64.8	$0.0	NA	$13.9	27.3%	OPEX overrun. Contracted expenses were higher than initially planned.
ST_1	Environmental compliance and permitting	$0.0	$26.2	$0.0	$34.5	$0.0	NA	$8.3	31.7%	OPEX overrun. Permitting costs were higher than anticipated, which was related to the overall increase project work conducted in 2025.
VM_1	Detailed Inspections	$0.0	$14.3	$0.0	$31.3	$0.0	NA	$17.0	118.9%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
VM_2	Patrol Inspections	$0.0	$33.4	$0.0	$73.0	$0.0	NA	$39.6	118.6%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
VM_3	UAV HD Photography/Videography	$0.0	$74.1	$0.0	$59.5	$0.0	NA	($14.6)	-19.7%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
VM_4	LiDAR Inspection	$0.0	$76.2	$0.0	$85.4	$0.0	NA	$9.2	12.1%	OPEX overrun. Labor hours dedicated to this initiative were higher than forecasted. Annual was target achieved.
VM_5	3rd Party Ground Patrol	$0.0	$61.5	$0.0	$16.4	$0.0	NA	($45.1)	-73.3%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
VM_6	Substation inspections	$0.0	$4.5	$0.0	$5.1	$0.0	NA	$0.6	13.3%	OPEX overrun. Labor was more than estimated. All necessary activities planned for 2025 were achieved. This budget item is small ($4.5 thousand); therefore, it does not take much expense to significantly cause a cost variance.
VM_7	Pole clearing	$0.0	$0.0	$0.0	$0.0	$0.0	NA	$0.0	NA	Less than 10% variance.
VM_8	Wood and slash management	$0.0	$507.2	$0.0	$519.4	$0.0	NA	$12.2	2.4%	Less than 10% variance.
VM_9	Clearance	$0.0	$2,157.6	$0.0	$2,205.3	$0.0	NA	$47.7	2.2%	Less than 10% variance.
VM_10	Fall-in mitigation	$0.0	$342.2	$0.0	$350.8	$0.0	NA	$8.6	2.5%	Less than 10% variance.
VM_11	Substation defensible space	$0.0	$15.9	$0.0	$9.7	$0.0	NA	($6.2)	-39.0%	OPEX underrun. BVES was able to contract the work for lower cost than projected. Intended scope of work and annual target was achieved.
VM_12	High-risk species	$0.0	$342.2	$0.0	$350.8	$0.0	NA	$8.6	2.5%	Less than 10% variance.
VM_13	Fire-resilient rights-of-way	$0.0	$14.9	$0.0	$17.9	$0.0	NA	$3.0	20.1%	OPEX overrun. Costs were higher than estimated. All necessary activities planned for 2025 were achieved. This budget item is small ($14.9 thousand); therefore, it does not take much expense to significantly cause a cost variance.
VM_14	Emergency response vegetation management	$0.0	$29.7	$0.0	$37.7	$0.0	NA	$8.0	26.9%	OPEX overrun. Costs were higher than estimated due to more than normal emergency response activities.
VM_15	Vegetation management enterprise system	$0.0	$22.3	$0.0	$19.7	$0.0	NA	($2.6)	-11.7%	OPEX underrun. Costs associated with updating and maintaining the vegetation management enterprise systems(s) were lower than forecasted due to lower than estimated labor costs.
VM_16	Vegetation Management Quality assurance / quality control	$0.0	$52.5	$0.0	$68.8	$0.0	NA	$16.3	31.0%	OPEX overrun. Costs were higher than estimated due to more labor hours dedicated to this effort.
VM_17	Vegetation Management Open work orders	$0.0	$36.8	$0.0	$46.0	$0.0	NA	$9.2	25.0%	OPEX overrun. Costs were higher than estimated due tomore labor hours dedicated to this effort.
VM_18	Vegetation Management Workforce planning	$0.0	$6.5	$0.0	$8.6	$0.0	NA	$2.1	32.3%	OPEX overrun. Costs were higher than estimated due to more labor hours dedicated to this effort. This budget item is small ($6.5 thousand); therefore, it does not take much expense to significantly cause a cost variance.
VM_19	AiDash	$0.0	$40.0	$0.0	$40.0	$0.0	NA	$0.0	0.0%	Less than 10% variance.
WMSD_1	Wildfire Mitigation Strategy Development	$0.0	$31.4	$0.0	$41.4	$0.0	NA	$10.0	31.8%	OPEX overrun. Costs were higher than estimated due to more labor hours dedicated to this effort.