State of California – A Natural Resources Agency
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Gavin Newsom, Governor
Forest Kaser, Director

September 3, 2026

Dan Marsh
Director, Rates and Regulatory Affairs
Liberty Utilities
701 National Avenue
Tahoe Vista, CA 96148

NOTICE OF NON-PERFORMANCE

Mr. Marsh:

Pursuant to Government Code section 15472, et seq, the Office of Energy Infrastructure Safety (Energy Safety) has conducted an inspection of work completed by Liberty Utilities (LU) in accordance with its 2025 Wildfire Mitigation Plan (WMP) and determined the existence of non-performance requiring correction. Energy Safety therefore issues LU a Notice of Non-Performance (NON), identifying non-performance with its approved WMP.

On June 3, 2026, Energy Safety conducted an inspection of Liberty Utilities' WMP initiatives in the vicinity of the city of Markleeville, California. The inspection report is enclosed herewith. Energy Safety found the following deficiencies:

Deficiency 1. Energy Safety observed that in implementing 2025 WMP initiative Distribution pole replacements and reinforcements, LU failed to complete work on distribution pole replacements and reinforcements on Structure ID 300535, Grid Hardening ID d5814071-bf99-4176-86c5-6a236fecea79 at coordinates 38.7663773301906, -119.845228120272. Energy Safety considers this non-performance to be in the Minor risk category. LU must complete a corrective action for this deficiency by 12 months of this notice.

Within 30 days from the issuance date of this NON, the electrical corporation must provide a response advising Energy Safety of corrective actions taken or planned to remedy the identified deficiency or deficiencies.

This response shall be filed in the Energy Safety e-Filing system under the 2025 NON Docket,[1] and the associated file name(s) must begin with the NON identification number.

Prior to its response, the electrical corporation may request an informal conference with Energy Safety for the purpose of disputing any issues raised in this NON no later than 10 business days before the response

[1] https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2025%20NON

deadline.[2] Requests for informal conference with Energy Safety must be e-mailed to AssetPerformance@energysafety.ca.gov, with a copy sent to all Energy Safety staff identified in the NON.

Sincerely,

Patrick Doherty

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[2] Energy Safety Performance Guidelines, p. 4

INSPECTION REPORT

Overview

The Office of Energy Infrastructure Safety (Energy Safety) conducts inspections to verify the work performed by an electrical corporation pursuant to an approved Wildfire Mitigation Plan (WMP) or subsequent filing, and to assess general conditions of electrical infrastructure that may adversely affect an electrical corporation's wildfire risk.

A Notice of Non-Performance (NON) is issued for any deficiencies discovered during an inspection related to an electrical corporation's performance of its WMP.

Deficiencies must be corrected in a timely manner. Energy Safety may prescribe a timeframe for resolution of a deficiency.[3] If Energy Safety assigns a risk category to a deficiency, an electrical corporation must correct the deficiency as required per the timelines provided in Table 1.[4]

Table 1. Risk Category and Correction Timelines

Risk Category	Deficiency correction timeline
Severe	• Immediate resolution
Moderate	• 2 months (in High Fire Threat District (HFTD) Tier 3) • 6 months (in HFTD Tier 2) • 6 months (if relevant to worker safety; not in HFTD Tiers 2 or 3)
Minor	• 12 months or resolution scheduled in WMP update

[3] Gov. Code section 15475.2(a)(2)
[4] Energy Safety Performance Guidelines, p. 4

Inspection Summary

Table 2 provides a summary of the selection of the WMP inspection location and initiative. Table 3 provides a summary of the deficiency or deficiencies found during the inspection. Details regarding the inspection that identified the deficiency or deficiencies are provided in the Inspections Details section below.

Table 2. Inspection Location and Initiative Summary

Electrical Corporation:	Liberty Utilities
Report Number:	PAD_LU_CYA_20260603_1054
Inspector:	Cecilia Yaniz
WMP Year Inspected:	2025
Quarterly Data Report (QDR) Referenced:	Quarter 4 (Q4)
Inspection Selection:	Energy Safety viewed the contents of the Q4 QDR and performed an analysis that resulted in the selection of the WMP initiatives and locations referenced in this report.
Relevant WMP Initiative(s):	8.1.2.3 - Distribution pole replacements and reinforcements
Date of Inspection:	June 3, 2026
City and/or County of Inspection:	Markleeville, Alpine County
Inspection Purpose:	Assess the accuracy of Liberty Utilities' QDR data, completeness of its work, and performance of WMP requirements.

Table 3. WMP Inspection Deficiency

Deficiency #	Structure ID	Grid Hardening ID	Lat/Long	HFTD	Initiative Number	Severity	Deficiency Description
Deficiency 1	300535	d5814071-bf99-4176-86c5-6a236fecea79	38.7663773301906, -119.845228120272	Tier 2	8.1.2.3 - Distribution pole replacements and reinforcements	Minor	Failure to complete work on distribution pole replacement initiative.

Inspection Details

Relevant Requirement:

LU's WMP states the following regarding initiative number 8.1.2.3:

1. "Liberty replaces and repairs poles to minimize the risk of system faults due to structural failure. Poles are replaced or repaired based on findings during inspections. At a minimum, inspections are conducted in accordance with G.O. 165."[5]

Findings:
In the 2025 Q4 Quarterly Data Report Submission, Liberty Utilities reported that work on Distribution pole replacements and reinforcements was completed at Structure ID 300535, Grid Hardening ID d5814071-bf99-4176-86c5-6a236fecea79, at 355-445 Crystal Springs Rd, Markleeville, CA, 96120, USA, 38.7663773301906, -119.845228120272. At this location, the inspector observed that a non-CAL FIRE exempt fuse was present. The inspector's observation is documented in Deficiency 1 photographs, which are attachments to this report. Photo numbers Asset Image 1, Asset Image 2, depict a newly installed non-CAL FIRE exempt fuse at the reported location.

Energy Safety concludes that there is a deficiency because of these facts:

1. The inspector observed a non-CAL FIRE exempt fuse was present at the reported location.
2. The pole did not maintain a 10-foot fire break clearance around the pole.

[5] Liberty Utilities, "Liberty 2023 – 2025 Wildfire Mitigation Plan" September 3, 2024, p. 161. [Online]. Available: https://efiling.energysafety.ca.gov/EFiling/GetFile.aspx?filePath=D%3a%5cFileThat%5cFileServer%5cPublic%5cPublicDocuments%5c2023-2025-WMPs%2fTN14694_20240903T213300_20240903_Liberty_2023_WMP_R6_Clean_Redacted.pdf

Exhibits

Exhibit A: Photo Log

Structure ID: 300535

Deficiency 1

	
General Image 1: Overall Structure	**General Image 2**: Structure ID
	
Asset Image 1: Vegetation underneath pole.	**Asset Image 2**: Non-CALFIRE exempt fuse