State of California – A Natural Resources Agency
OFFICE OF ENERGY INFRASTRUCTURE SAFETY
715 P Street, 15th Floor | Sacramento, CA 95814
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Gavin Newsom, Governor
Forest Kaser, Director

September 28, 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 8.1.2.1 – Covered conductor installation, LU failed to complete work on covered conductor installation on the entire circuit segment affiliated with Grid Hardening ID Sorensen's Tap A. 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 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.

[1] https://efiling.energysafety.ca.gov/EFiling/DocketInformation.aspx?docketnumber=2025%20NON
[2] Energy Safety Performance Guidelines, p. 4

Sincerely,

/s/ Patrick Doherty

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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_1236
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):	8.1.2.1 – Covered Conductor Installation
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	N/A	Sorensen's Tap A	N/A	Tier 2	8.1.2.1 – Covered Conductor Installation	Minor	Failed to complete work on covered conductor installation.

Inspection Details

Relevant Requirement:
LU's WMP states the following regarding initiative number 8.1.2.1:

1. "Liberty has been using line replacements with covered conductor since 2020 as a method to address both wildfire mitigation and the need for system hardening."[5]

Findings:
In the 2025 Q4 Quarterly Data Report Submission, Liberty Utilities reported that work on Covered conductor installation was completed on Grid Hardening ID Sorensen's Tap A at Markleeville, CA, 96120, USA. On this Grid Hardening ID, the inspector observed that exposed bare conductor was present around jumper connector hardware consistently throughout the entirety of the covered conductor circuit segment submitted to Energy Safety. The inspector's observation is documented in Deficiency 1 photographs, which are attachments to this report. Photo numbers Asset Image 1, Asset Image 2, Asset Image 3, Asset Image 4, Asset Image 5, Asset Image 6, Asset Image 7, Asset Image 8, Asset Image 9, Asset Image 10, Asset Image 11, Asset Image 12 depict examples of exposed bare conductor at jumper connector sites, representative of the condition observed throughout the submitted circuit segment.

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

1. Covered conductor was present throughout the circuit segment affiliated with GH ID Sorensen's Tap A.
2. Exposed bare conductor segments were found around jumper connector hardware throughout the circuit segment affiliated with GH ID Sorensen's Tap A.
3. Covered conductor work was consistently not completed at locations with jumper connector hardware throughout the entirety of the circuit segment associated with GH ID Sorensen's Tap A.

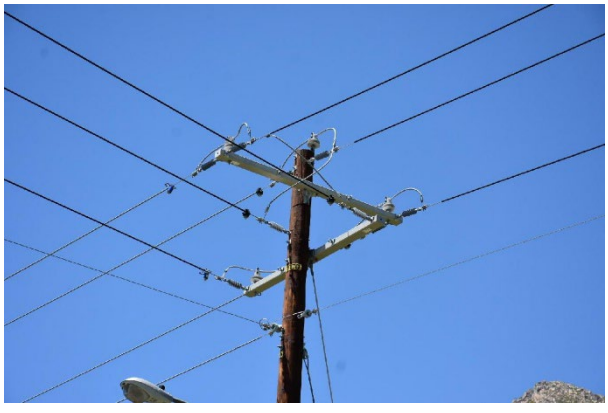
[5] Liberty Utilities, "Liberty 2023 – 2025 Wildfire Mitigation Plan" September 3, 2025, p. 154. [Online]. Available: https://efiling.energysafety.ca.gov/EFiling/GetFile.aspx?filePath=D%3a%5cFileThat%5cFileServer%5cPublic%5cPublicDocuments%5c2023-2025-WMPs%2fTN14694_20240903T213300_20240903_Liberty_2023_WMP_R6_Clean_Redacted.pdf

Exhibits

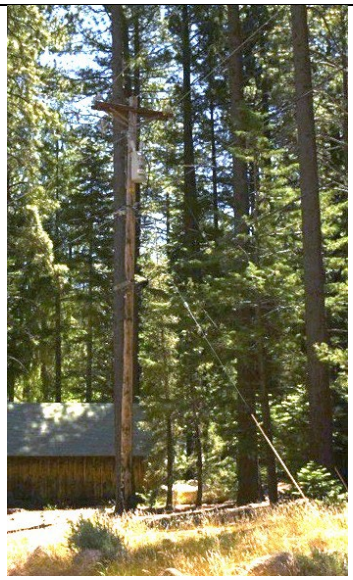
Exhibit A: Photo Log

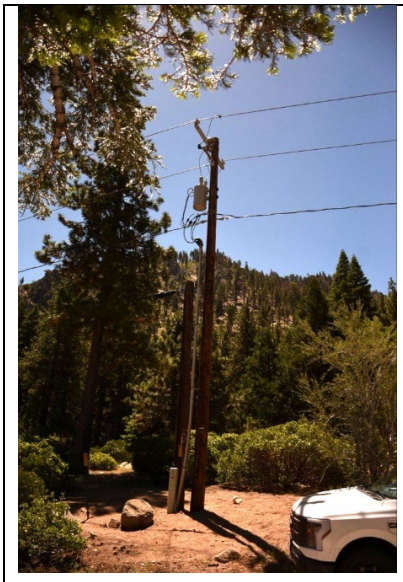
Structure ID: Multiple

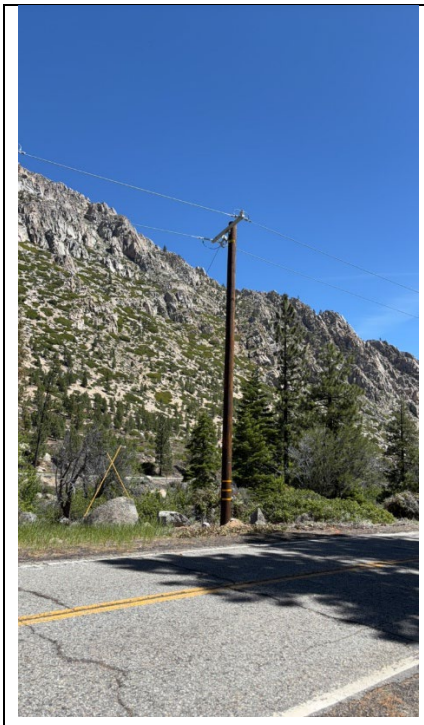
Deficiency 1

	
General Image 1: Overall Structure – Pole ID 300500; First pole in circuit segment.	**General Image 2**: Structure ID - 300500
	
Asset Image 1: Exposed bare conductor around jumper connector hardware on pole 300500. View 1	**Asset Image 2:** Exposed bare conductor around jumper connector hardware on pole 300500. View 2

	
General Image 3: Overall Structure – Pole ID 300532	**General Image 4**: Structure ID - 300532
	
Asset Image 3: Exposed bare conductor around jumper connector hardware on pole 300532. View 1	**Asset Image 4**: Exposed bare conductor around jumper connector hardware on pole 300532. View 2

	
Asset Image 5: Exposed bare conductor around jumper connector hardware on pole 300532. View 3	**General Image 5**: Overall Structure – Pole ID 290476
	
General Image 6: Structure ID – 290476	**Asset Image 6**: Exposed bare conductor around jumper connector hardware on pole 290476. View 1
	
Asset Image 7: Exposed bare conductor around jumper connector hardware on pole 290476. View 2	**Asset Image 8**: Exposed bare conductor around jumper connector hardware on pole 290476. View 3

	
General Image 7: Overall Structure – Pole ID 297159	**General Image 8**: Structure ID – 297159
	
Asset Image 9: Exposed bare conductor around jumper connector hardware on pole 297159. View 1	**Asset Image 10**: Exposed bare conductor around jumper connector hardware on pole 297159. View 2

	
General Image 9: Overall Structure – Pole ID 300535; Last pole in circuit segment.	**General Image 10**: Structure ID – 300535
	
Asset Image 11: Exposed bare conductor around jumper connector hardware on pole 300535. View 1	**Asset Image 12**: Exposed bare conductor around jumper connector hardware on pole 300535. View 2