



March 2, 2026

Paul Marconi
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SUBJECT: Office of Energy Infrastructure Safety Issuance of Bear Valley Electric Service, Inc.’s Certificate

Mr. Marconi:

The Office of Energy Infrastructure Safety (Energy Safety) hereby issues Bear Valley Electric Service, Inc. (BVES) a Certificate pursuant to Public Utilities Code section 8389(e). BVES’s December 2, 2025, request for a 2025 Certificate¹ meets all statutory requirements. This Certificate is valid for 12 months from issuance and has only the force and effect given to it by Public Utilities Code sections 451.1(c) and 8389.

Energy Safety must issue a Certificate if BVES provides documentation that it meets the requirements set forth in Public Utilities Code section 8389(e)(1) through (e)(7). These requirements are detailed below, with an overview of Energy Safety’s findings for BVES for each requirement.

Recent legislative changes from Senate Bill 254, signed into law and effective on September 19, 2025,² amended the Public Utilities Code sections for Certificates. This decision is based on the Public Utilities Code sections and uses those section numbers for Certificates as they existed at the time Energy Safety’s Safety Certification Guidelines Version 1.0 were published on April 25, 2025. Future Certificate decisions will be evaluated by Energy Safety under the newly amended Public Utilities Code sections.

¹ BVES’s 2025 Certificate Request

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

² Senate Bill 254, Energy (2025–2026), Chapter 119, stat. 2025

(https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB254, accessed January 8, 2026).

1. Approved Wildfire Mitigation Plan

Public Utilities Code section 8389(e)(1) requires that “[t]he electrical corporation has an approved wildfire mitigation plan [WMP].” BVES submitted its 2026-2028 Base WMP on April 18, 2025.³ Energy Safety issued its Decision approving BVES’s 2026-2028 Base WMP on November 4, 2025.⁴ BVES has satisfied the requirement of Public Utilities Code section 8389(e)(1).

2. Good Standing

Public Utilities Code section 8389(e)(2) requires that “[t]he electrical corporation is in good standing, which can be satisfied by the electrical corporation having agreed to implement the findings of its most recent safety culture assessment [SCA] performed pursuant to Section 8386.2 and paragraph (4) of subdivision (d), if applicable.”

Energy Safety published its most recent SCA for BVES on December 19, 2025, and identified one recommendation, listed below:

1. Address Safety Culture Opportunities for the Engineering and Planning Business Unit.⁵

On December 29, 2025, BVES formally agreed to implement the findings and recommendations of Energy Safety’s 2024 SCA for BVES.⁶ BVES’s agreement to implement the findings satisfies the “good standing” requirement of Public Utilities Code section 8389(e)(2) for its 2025 Certificate request because the Energy Safety 2024 SCA is the most recent and only SCA performed pursuant to Public Utilities Code section 8386.2 or paragraph (4) of subdivision (d) of Public Utilities Code section 8389.

3. Board of Directors Safety Committee

Public Utilities Code section 8389(e)(3) requires that “[t]he electrical corporation has established a safety committee of its board of directors composed of members with relevant safety experience.”

³ BVES 2026-2028 Base WMP

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58293&shareable=true>, accessed January 20, 2026).

⁴ Decision on BVES 2026-2028 Base WMP

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59577&shareable=true>, accessed January 20, 2026).

⁵ 2024 Safety Culture Assessment for BVES

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59954&shareable=true>, accessed January 8, 2026).

⁶ BVES’s Acceptance of 2024 Safety Culture Assessment

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=60004&shareable=true>, accessed January 20, 2026).

BVES's Certificate request states that it has established a Safety and Operations Committee⁷ ("Safety Committee") composed of members of its Board of Directors with relevant safety experience.⁸

BVES reports the Safety and Operations Committee membership as follows:

- John K. (Jack) Hawks
- Harry Scarborough
- Paul Marconi

In Appendices A and B of its Certificate request, BVES provides a resume of each member of its Safety and Operations Committee, highlighting each member's relevant safety-related experience.⁹

BVES has satisfied the requirement of Public Utilities Code section 8389(e)(3).

4. Executive Compensation

Public Utilities Code section 8389(e)(4) requires that "[t]he electrical corporation has established an executive incentive compensation structure approved by [Energy Safety] and structured to promote safety as a priority and to ensure public safety and utility financial stability with performance metrics, including incentive compensation based on meeting performance metrics that are measurable and enforceable, for all executive officers, as defined in Section 451.5. This may include tying 100 percent of incentive compensation to safety performance and denying all incentive compensation in the event the electrical corporation causes a catastrophic wildfire that results in one or more fatalities."

Public Utilities Code section 8389(e)(6)(A)(i)(I) requires "[s]trict limits on guaranteed cash compensation, with the primary portion of the executive officers' compensation based on achievement of objective performance metrics." Clause (i)(II), requires "[n]o guaranteed monetary incentives in the compensation structure." Clause (ii) requires that the compensation structure "satisfies the compensation principles identified in paragraph (4)," noted above. Clause (iii) requires "[a] long-term structure that provides a significant portion of compensation, which may take the form of grants of the electrical corporation's stock, based on the electrical corporation's long-term performance and value. This compensation shall be held or deferred for a period of at least three years." Clause (iv) requires "[m]inimization or elimination of indirect or ancillary compensation that is not aligned with shareholder and taxpayer interest in the electrical corporation."

⁷ BVES's 2025 Certificate Request, p. 6

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

⁸ BVES's 2025 Certificate Request, p. 6

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

⁹ BVES's 2025 Certificate Request, p. 9

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

BVES submitted a request for approval of its 2025 executive compensation structure on May 23, 2025.¹⁰ Energy Safety determined that BVES's executive compensation structure satisfied the requirements of Public Utilities Code sections 8389(e)(4) and (e)(6) and approved BVES's executive compensation structure on December 29, 2025.¹¹

BVES has satisfied the requirements of Public Utilities Code sections 8389(e)(4) and (e)(6).

5. Board-Level Safety Reporting

Public Utilities Code section 8389(e)(5) requires that "[t]he electrical corporation has established board-of-director-level reporting to the [California Public Utilities Commission {CPUC}] and [Energy Safety] on safety issues."

To satisfy the requirements of Public Utilities Code section 8389(e)(5), BVES's Certificate request cites the August 19, 2025, public meeting on utility safety practices, hosted jointly by the Energy Safety and the CPUC. The purpose of this meeting was to provide information to the Director of Energy Safety, CPUC Commissioners, and the public about the electrical infrastructure safety efforts of BVES, including progress and challenges concerning wildfire mitigation, worker safety, and safety culture. During this meeting, Paul Marconi, President and the Safety Committee Chairman, and Sean Matlock, Energy Resource Manager and Assistant Corporate Secretary, gave a presentation and answered questions from the Energy Safety and the CPUC.

Pursuant to the Safety Certification Guidelines Version 1.0 requirement¹² that an electrical corporation provide any materials used or referenced in the public meeting in its Certificate request, BVES provided its presentation slides in Appendix F of its Certificate request.¹³

BVES has satisfied the requirements of Public Utilities Code section 8389(e)(5).

6. Limits on Executive Compensation

Public Utilities Code section 8389(e)(6) is addressed under "Executive Compensation" above.

7. WMP Implementation

Public Utilities Code section 8389(e)(7) requires that "[t]he electrical corporation is implementing its approved [WMP]." This statute requires the electrical corporation to "file a notification of implementation of its [WMP] with [Energy Safety] and an information-only

¹⁰ BVES's 2025 Executive Compensation Structure Submission (<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58537&shareable=true>, accessed January 22, 2026).

¹¹ Approval of BVES's 2025 Executive Compensation Structure (<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=60005&shareable=true>, accessed January 22, 2026).

¹² Energy Safety's Safety Certification Guidelines Version 1.0, p. 3 (<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58353&shareable=true>, accessed January 14, 2026).

¹³ See BVES's presentation beginning at 02:47:35 in the recording of the public meeting "Interagency Public Briefing on Electric Utilities Safety Culture and Public Safety Power Shutoffs" (August 19, 2025) (<https://www.adminmonitor.com/ca/cpuc/workshop/20250819/>, accessed January 14, 2026).

submittal with the [CPUC] on a quarterly basis.” These quarterly notifications and information-only submittals must include information on “the implementation of both its approved [WMP] and recommendations of the most recent [SCAs] by the [CPUC] and [Energy Safety], and a statement of the recommendations of the board of directors safety committee meetings that occurred during the quarter.” The statute also stipulates that these quarterly notifications and submittals must “summarize the implementation of the safety committee recommendations from the electrical corporation’s previous notification and submission.”

Energy Safety’s Safety Certification Guidelines Version 1.0 further specify that:

“In its Safety Certification request, the electrical corporation must detail the progress it has made toward completing its WMP targets, explain any delayed or off-track efforts, include the recommendations from its latest Energy Safety and CPUC safety culture assessment(s), and show progress in the implementation of the findings of its most recent safety culture assessment(s).” Furthermore, to meet the requirements of section 8389(e)(7), electrical corporations must submit quarterly notifications.¹⁴

Subsequent to receiving its last Safety Certification,¹⁵ BVES submitted quarterly notifications to Energy Safety on the required subjects on February 1, 2025,¹⁶ May 1, 2025,¹⁷ August 1, 2025,¹⁸ and November 3, 2025.¹⁹ Attachments to these notifications include quantitative metrics indicating BVES’s progress on the wildfire mitigation initiatives described in its 2023-2025 WMP.

Pursuant to Public Utilities Code section 8389(e)(7) and Energy Safety’s Safety Certification Guidelines Version 1.0, BVES submitted quarterly notifications to the CPUC as information-only submittals on February 1, 2025, May 1, 2025, August 1, 2025, and November 3, 2025.²⁰

WMP Implementation Progress:

BVES reported that as of the end of the third quarter of 2025, it had met its commitments for 34 of the 77 mitigation initiatives in its 2023-2025 Base WMP.

¹⁴ Energy Safety’s Safety Certification Guidelines Version 1.0, p. 5

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58353&shareable=true>, accessed January 14, 2026).

¹⁵ BVES’s 2024 Safety Certification Issuance Letter

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=57711&shareable=true>, accessed January 23, 2026).

¹⁶ BVES’s Quarterly Notification Letter from February 1, 2025

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=57903&shareable=true>, accessed January 23, 2026).

¹⁷ BVES’s Quarterly Notification Letter from May 1, 2025

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=58382&shareable=true>, accessed January 23, 2026).

¹⁸ BVES’s Quarterly Notification Letter from August 1, 2025

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59110&shareable=true>, accessed January 23, 2026).

¹⁹ BVES’s Quarterly Notification Letter from November 3, 2025

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59570&shareable=true>, accessed January 23, 2026).

²⁰ Per BVES’s February 1, 2025, May 1, 2025, August 1, 2025, and November 3, 2025, Quarterly Notifications.

In BVES's December 2, 2025, Certificate request, BVES reported on all 77 initiatives, stating that 70 were complete or on track, five have not been started, and two of its mitigation initiatives were not on track for timely completion: Valley Solar Project and Energy Storage Project.²¹ BVES provided details on its internal catch-back plan for the off track initiatives. BVES stated that it anticipated it would not meet its WMP targets by the end of 2025 for these two initiatives due to regulatory approval process for these two projects taking longer than anticipated.²²

Energy Safety will continue to monitor and assess the implementation of the remaining initiatives as part of Energy Safety's performance assessment activities.²³

BVES has met the requirement of Public Utilities Code section 8389(e)(7) to provide information on the implementation of its approved WMP.

SCA Recommendation Implementation Progress:

Energy Safety published its most recent SCA for BVES on December 19, 2025, and identified one recommendation, as noted above.²⁴ BVES submitted its recent agreement to implement the findings of Energy Safety's 2024 SCA Report for BVES on December 29, 2025.²⁵

As the 2024 SCA for BVES was published after BVES's 2025 Certificate request was submitted, BVES reported on actions taken to address recommendations from its 2023 SCA in its 2025 Certificate request,²⁶ which was the most recent assessment completed at the time of its Certificate request.²⁷

BVES has met the requirement of Public Utilities Code section 8389(e)(7) by providing information on the implementation of its 2023 SCA recommendations.

Board Safety Committee Recommendations and Implementation Summary:

BVES included descriptions of its Safety and Operations Committee's recommended actions in its quarterly notifications.

²¹ BVES's 2025 Certificate Request, p.143

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

²² BVES's Quarterly Notification Letter from November 3, 2025

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59570&shareable=true>, accessed January 23, 2026).

²³Energy Safety's Performance Guidelines

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59899&shareable=true>, accessed January 15, 2026).

²⁴ 2024 Safety Culture Assessment for BVES

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59954&shareable=true>, accessed January 8, 2026).

²⁵ BVES's Acceptance of 2024 Safety Culture Assessment

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=60004&shareable=true>, accessed January 20, 2026).

²⁶ BVES's 2025 Certificate Request, p.3

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=59794&shareable=true>, accessed January 14, 2026).

²⁷ Per BVES's February 1, 2025, May 1, 2025, August 1, 2025, and November 3, 2025, Quarterly Notifications.

According to the descriptions provided in its quarterly notifications, BVES's management has implemented all the Safety and Operations Committee's recommendations.²⁸

BVES has met the requirement of Public Utilities Code section 8389(e)(7) to provide statements of the recommendations of the Safety and Operations Committee meetings and summaries of the implementation status of those recommendations.

Conclusion

BVES's request for a Certificate satisfies the statutory requirements in Public Utilities Code section 8389(e). Energy Safety expects BVES to uphold the values stated in its submissions and continue to advance safety as a top priority. This letter constitutes Energy Safety's issuance of BVES's 2025 Certificate. Pursuant to Public Utilities Code section 8389(f)(1), this Certificate is valid for 12 months from the date of this letter.

/s/ Caroline Thomas Jacobs

Caroline Thomas Jacobs
Director
Office of Energy Infrastructure Safety

²⁸ Per BVES's February 1, 2025, May 1, 2025, August 1, 2025, and November 3, 2025, Quarterly Notifications.