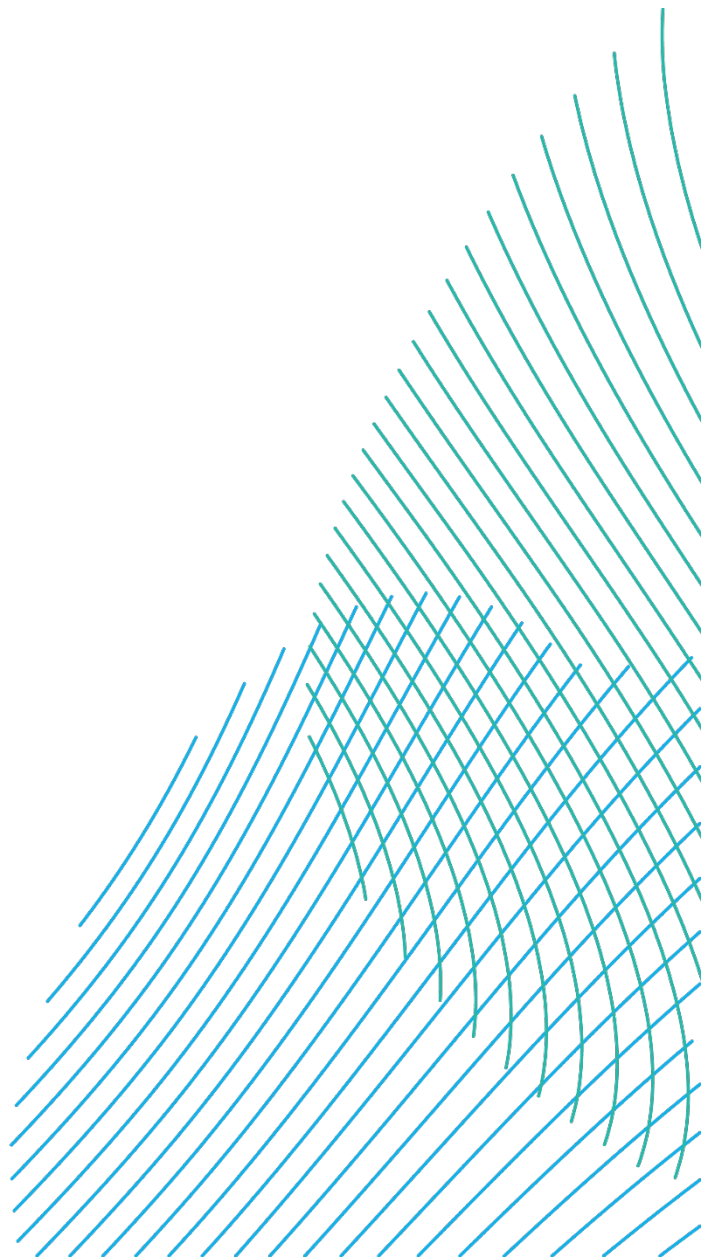




RESPONSE TO THE CPUC AUDIT FINDINGS OF: PANOCH VALLEY SOLAR

Audit Date: May 12-15, 2025
Audit Number: GA2025-05PA



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RESPONSE TO FINDINGS

Response to Finding 1:

RWECE agrees that the original form of vegetation management (sheep/goat grazing as described in more detail below) is no longer an effective management technique at the Plant. RWECE was already working to update its vegetation management practices prior to receipt of the Audit Report to effectively remove fuel for fire mitigation while protecting listed species that inhabit the site.

By way of background, the Plant (along with a portfolio of other renewable energy properties) was acquired by RWECE from Consolidated Edison Inc. in March 2023. The Plant was commissioned in 2017. Panoche Valley has historically managed vegetation using sheep/goat grazing, consistent with the vegetation management practices permitted at Panoche Valley under (i) a Biological Opinion (“Opinion”) issued by the US Fish and Wildlife Service (“USFWS”) and (ii) an Incidental Take Permit (“ITP”) issued by California Department of Fish and Wildlife (“CDFW”). The Plant obtained take authorization for certain special status species via a USFWS Biological Opinion and CDFW ITP, which authorizations contemplated sheep and goat grazing as the chief form of vegetation management. Vegetation management measures beyond grazing are not expressly addressed in either the Opinion or the ITP and numerous conditions in these authorizations require maintenance of natural habitat and avoidance of disturbance to special status species and their dens and/or burrows. Sheep grazing within the solar field has been performed annually with mixed results in recent years. While effective in some locations, the preferred forage and grazing patterns often leave large patches of standing vegetation. The result after several years of grazing, combined with a shift in botanical species composition due to irregular rainfall patterns and selective grazing, is the accumulation of significant stands of plants, primarily weedy brome grasses, vinegar weed, and other species that cannot be managed solely through grazing.

RWE recognized that grazing was no longer an effective method of vegetation management and requested the use of alternative vegetation management methods with biologist oversight to CDFW and USFWS in a May 15, 2025, memo. The memo was authored by [REDACTED], the Plant’s Designated Biologist for Covered Species protection and requested the use of handheld string trimmers and, where feasible and at a discretion of the Designated Biologist, self-propelled walk behind-type brush cutters as additional vegetation management measures at the Plant. CDFW and USFWS approved the use of such additional measures in early June 2025, and Panoche Valley promptly commenced enhanced vegetation management efforts utilizing these new methodologies under the supervision of a Designated Biologist as outlined in the May 16, 2025, memo. Panoche Valley quickly realized however, that even a schedule of mechanical trimming would not be enough to control vegetation and that additional vegetation management measures would be needed to address vegetation management needs across the Plant in a timely fashion. As such, on July 22, 2025 [REDACTED] submitted an additional request to CDFW on behalf of RWECE requesting permission to also use (1) pre-emergent herbicides and soil sterilant in a targeted fashion around perimeter roads (which also serve as fire breaks) and components with the potential to spark and cause fires, including around inverter skids, combiner boxes,

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switchgears, and junction boxes and (2) harrow drags to collect and remove thatch on existing interior roads and paths. The July correspondence also included a broader request to consult with CDFW on vegetation management practices to find a solution that both protects the special status species and reduces wildfire risk. CDFW advised RWECE to submit a draft amendment to the ITP reflecting the proposed revised vegetation management practices as a next step. RWECE is working with a third-party consultant to prepare the amendment.

In addition to the current restrictions placed on Panoche Valley regarding permissible methods of vegetation management (which, as noted, Panoche Valley is in the process of changing in consultation with CDFW), the Plant is also subject to restrictions on *when* it can perform its vegetation management work. Specifically, CalFire has advised that Panoche Valley cannot undertake vegetation management efforts after 10 a.m. on days when humidity is lower than 30%. This, in practice, means the site has approximately 2.5 to 3 hours a day to work on vegetation management given current sunrise times and humidity conditions.

Notwithstanding these challenges, during 2025, Panoche Valley has been diligent in using all currently permissible methods of vegetation management during permissible time/humidity conditions to address vegetation as follows:

1. **Fire Break/Permitter Road:** In September 2025, all vegetation in the entire permitter/fence line of the Plant had vegetation reduced using harrow drags pulled behind an all-terrain vehicle to a height as of the day of trimming of approximately one (1) inch or less for a width of 20 ft. The only areas where vegetation was not reduced to one (1) inch or less in height is (a) in locations where a den/borrow was identified between the road (which is approximately 12 ft in width) and the desired 20 ft width of the fire barrier, and (b) on the eastern edge of the northern portion of the site where a county road abuts the property and 20 ft of clearance on the Panoche Valley land was not possible..
2. **Around O&M Buildings:** In August 2025, the Panoche Valley team similarly used harrow drags to reduce vegetation to approximately one (1) inch or less in height immediately following such work for at least 100 feet around all buildings on site.
3. **Between Arrays:** Harrow drags and string trimmers have been used on “rows” or informal roads between arrays (rows are approximately 13 ft to 15 ft wide) and approximately 20 ft around arrays to reduce vegetation in those areas to a height of one (1) inch or less immediately following such work. 95% of the rows and area around arrays had vegetation height reduced as described as of this Audit Response; 100% of such areas are expected to have had vegetation heights reduced by October 3, 2025.
4. **Under Arrays:** Panoche Valley has been using string trimmers and Brush Hogs (walk-behind string trimmers) to reduce vegetation under arrays to a height of approximately one (1) inch following such vegetation management efforts. As of this Audit Response, vegetation under approximately 40% of the arrays has been reduced

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to a height of one (1) inch or less immediately following the trimming. While the team continues to push forward with this work, the foregoing restrictions on vegetation management measures and time to do the work, plus the height of the arrays which prevent the use of harrow drags, are causing this work to get completed more slowly than other efforts. At the current rate of progress, Panoche Valley anticipates being able to have used trimmers under each array to reduce the height of vegetation under each array to a height of one (1) inch or less immediately following trimming during Q1 2026. If it is permitted to use pre-emergent herbicides and soil sterilant in a targeted fashion and increase the hours during which it is allowed to remove vegetation, it could complete this work more quickly.

5. **Around Inverter Skids, Combiner Boxes, Switchgears and Junction Boxes (“Equipment”):** Panoche Valley has used string trimmers to reduce vegetation within five (5) ft of Equipment to a height of one (1) inch or less immediately following such trimming, with the work completed in August 2025.

Panoche Valley will continue to utilize a dual-prong approach to address vegetation management concerns by continuing to diligently work using available methodologies and within permissible time frames to reduce the height of vegetation while simultaneously working with CDFW to identify and implement additional vegetation management methodologies (such as herbicides and soil sterilants) to expedite bringing the height of existing vegetation into permissible levels and assist in future vegetation management work.

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Response to Figure 1: Current vegetation near Solar PV Arrays (9/17/25)



Response to Figure 2: Current vegetation near DC Combiner Boxes (9/17/25)



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Response to Figure 3: Current vegetation near Inverter Skid (9/17/25)



References for Response to Finding 1:

CPUC Finding #1 TechMemo_VegRemoval_072225

CPUC Finding #1 CDFW response to 072225 memo

CPUC Finding #1 TechMemo_VegRemoval_051625

CPUC Finding #1 CDFW and USFWS 051625 Memo Concurrence - Fire Prevention Measures

Response to Finding 2:

RWECE policy requires all environmental, health or safety and security (“EHS”) related events to be reported to RWECE’s Health, Safety, Security and Environment (“HSSE”) team. Certain EHS-related events also require an event analysis, depending on the event’s classification.

All RWECE personnel who are (a) affected by, (b) witness/observe, or (c) made aware of an HSSE event share responsibility of ensuring the event is:

1. immediately reported to their supervisor, manager, and HSSE Senior Associate or HSSE Regional Manager; and
2. reported in the [REDACTED] within 24 hours of the event’s occurrence.

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The fires referenced in the Audit Report were all reported and entered into the [REDACTED] within 24 hours as required by RWECE policy. Notwithstanding, RWECE acknowledges that it did not report the fires to CPUC within 24 hours as required under CPUC's reporting requirements found in section 9.4 of GO 167-C.

RWECE is implementing measures designed to prevent future non-compliance with the CPUC requirements to report safety-related incidents, including the following:

1. RWECE has developed California Facilities CPUC Reporting Guidelines, which provide guidance on who, what, when, where, and how to report safety-related incidents to CPUC consistent with CPUC's reporting requirements under GO 167-C, section 9.4. These guidelines will be provided to all management personnel at all of RWECE's California facilities. Training on the guidelines will also be conducted. These activities will be completed by October 31, 2025.
2. RWECE is modifying its KPA Flex platform to automatically generate questions specific to CPUC reporting requirements when events are entered into the system for all California facilities. Updates to KPA Flex are anticipated to be complete by October 31, 2025.

References for Response to Finding 2:

CPUC Finding #2 California Facilities CPUC Emergency Reporting Guidelines

CPUC Finding #2 Panoche Valley - Emergency Response Plan (ERP) Revised 09242025

Response to Finding 3:

Panoche Valley acknowledges that it utilized manual processes to track timing of maintenance activities and completion of same, making it difficult to demonstrate compliance with maintenance requirements of its equipment at the time of the Audit. However, other than the incomplete SPCC maintenance identified in the Findings and addressed below, Panoche Valley believes it has materially complied with its maintenance obligations.

Through December 2024, Panoche Valley utilized [REDACTED] to track assets, work orders, inventory, preventative maintenance and purchasing management. Documentation in [REDACTED] from 2024 shows robust maintenance activity, inclusive of inventory orders to facilitate that maintenance. As part of ongoing integration activities following RWECE's acquisition of the Plant in 2023 (as described above), Panoche Valley began transitioning to [REDACTED] beginning in January 2025. Like [REDACTED] is an enterprise resource planning software that, among other things, allows for the electronic and centralized management and tracking of work orders and purchasing of required parts. Maintenance plans can also be built into the system with automatic reminders sent to Plant staff as deadlines approach. Staff can also include reports on maintenance performed [REDACTED]. Implementation was completed in June 2025 and, upon completion of implementation, all previous legacy platforms and manual tracking of tasks and purchases were sunset from operational procedures.

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Trainings [REDACTED] began in October 2024. A list of all completed trainings is included with this Audit Response. Also included is documentation showing the Plant's maintenance plan, frequency of each work order and proof of work order digital tracking and completion from [REDACTED]

References for Response to Finding 3:

CPUC Finding #3 Maintenance Schedule

CPUC Finding #3 Training Courses Completed In Person

CPUC Finding #3 Training Courses Completed Online

CPUC Finding #3 Work Order Tracking

CPUC Finding #3 [REDACTED] CE Core Training - Austin, Texas Schedule and Invitees

CPUC Finding #3 [REDACTED] Modules Available

Response to Finding 4:

RWECE acknowledges the Plant's failure to complete the required quarterly Spill Prevention Control and Countermeasure ("SPCC") inspections as required by the approved site-specific SPCC plan. To correct this oversight and prevent future reoccurrence, RWECE has completed the following:

1. RWECE conducted SPCC refresher training for all Panoche Valley personnel. The training was completed on June 30, 2025
2. HSSE created a quarterly inspection form [REDACTED] to aid Plant personnel with completion and retention of inspection records, as well as provide an automatic reminder when quarterly inspections are due.

Following the Audit, Panoche Valley personnel have completed two quarterly inspections of the Plant's oil filled equipment and containment areas in [REDACTED] one in May 2025 (Quarter 2 2025) and one in August 2025 (Quarter 3 2025). No issues were identified during these inspections. Site personnel will be completing the next required inspection in October 2025.

References for Response to Finding 4:

CPUC Finding #4 - SPCC Inspections Not Performed – Corrected

CPUC Finding #4 Q2 2025 Panoche Valley Quarterly SPCC Inspection Report

CPUC Finding #4 Q3 2025 Panoche Valley Quarterly SPCC Inspection Report

CPUC Finding #4 Panoche Valley SPCC Refresher Training

Response to Finding 5:

In June 2025, Panoche Valley removed the broken backup generator noted in the Findings and placed a new generator in the confined space. The new generator will undergo quarterly readiness testing and any identified issues will be addressed. HSSE will create a form [REDACTED] where personnel will report on the outcome of quarterly readiness testing [REDACTED] also being updated to schedule quarterly generator testing and automatically generate

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email notifications to remind site personnel to perform the quarterly generator test. [REDACTED]
[REDACTED] updates specific to the generator are anticipated to be complete in October 2025.

References for Response to Finding 5:

CPUC Finding #5 Backup Generator Invoice
CPUC Finding #5 Backup Generator Photo
CPUC Finding #5 Panoche Valley Portable Generator Quarterly Inspection Template

Response to Finding 6:

RWECE is in the process of updating and transitioning to a new HSSE Management System and will be providing regular training to the Plant personnel on HSSE policies and procedures. In addition, HSSE has developed Site Maturity Assessments to determine facility level of compliance with RWECE HSSE policies. The Site Maturity Assessment forms are [REDACTED] and will include assessment responses, documented compliance deficiencies and associated corrective actions.

RWECE has scheduled weekly training classes to review the Safety Management System to ensure Panoche Valley's personnel and management are aware of and trained on the correct and most current policies and procedures.

The HSSE department will schedule and complete the Site Maturity Assessment for the Plant by December 31, 2025, and will promptly develop a corrective action plan to address any identified deficiencies.

References for Response to Finding 6:

CPUC Finding #6 Training Plan for SMS Review at Panoche Valley
CPUC Finding #6 RWECE Maturity Assessment Form - Security
CPUC Finding #6 RWECE Maturity Assessment Form - Health & Safety
CPUC Finding #6 RWECE Maturity Assessment Form - Environment

Response to Finding 7:

The Plant engaged [REDACTED], which is an ISN approved contractor, as its inverter contractor. Under the Plant's contract [REDACTED] was permitted to subcontract the work to third parties, provided that such third parties met all of the requirements imposed [REDACTED]. While the ESRB is correct that [REDACTED] were at the Plant at the time of the Audit, they were doing so in their capacity as [REDACTED]. If [REDACTED] at such time, RWECE was unaware of such status and relied upon the representations in its [REDACTED]. RWECE understands that [REDACTED].

References for Response to Finding 7:

CPUC Finding #7 CNA Electric Not in ISNetwork - Corrected

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Response to Finding 8:

The fire extinguisher identified in the Audit as missing from its designated location inside the O&M building was onsite but not placed back into its appropriate location. The extinguisher was returned to its designated location in the O&M building on May 15, 2025, immediately upon the Audit finding.



Response to Figure 1: Fire Extinguisher in O&M Building (9/26/25)

References for Response to Finding 8:

CPUC Finding #8 - Missing Fire Extinguisher – Corrected immediately

Response to Finding 9:

Panoche Valley has purchased and installed the required muster point location signs and updated its location map to demonstrate the location of muster points.

References for Response to Finding 9:

CPUC Finding #9 - Missing Muster Point Signage - Corrected

CPUC Finding #9 - Updated Muster Location Map for ERP

CPUC Finding #9 Site Safety Orientation PowerPoint - Panoche Valley

APPENDIX A: CORRECTIVE ACTION PLAN

The RWE Clean Energy, LLC (“RWECE”) and Panoche Valley Solar Farm (“Panoche Valley”) has implemented a Corrective Action Plan in response to the California Public Utilities Commission’s Generation Audit Report for Panoche Valley’s May 2025 Audit (audit number:GA2025-05PA). The Corrective Action Plan provides an outline of actions taken or planned to be taken to address the Findings identified in the Audit Report.

Audit Report Findings	Corrective Actions	Status	Completion/ Target Date if not Complete
Finding 1	Reduce height of vegetation throughout the Plant in compliance with applicable regulations	In progress	Q1 2026
	Submit a plan to develop or improve the vegetation mitigation practices	Complete (9/26/25)	N/A
	Work with CDFW to attempt identify additional vegetation management measures beyond grazing, if any, without impacting special status species	In progress	N/A
Finding 2	Report safety-related incidents to CPUC using RWECE guidance	In progress	10/31/25
Finding 3	Develop overall site maintenance plan	Complete (4/1/25)	N/A
	Conduct refresher training on work management process	In progress (on the job, using Microsoft Teams for Q&A with SMEs)	Ongoing
	Submit site maintenance plan to ESRB, along with training records and materials	Complete (9/26/25)	N/A
	Provide all work orders, designated frequency, and work plans	Complete (9/26/25)	N/A
Finding 4	Conduct Quarterly Inspections of the Plant’s oil filled equipment	In progress	Ongoing
Finding 5	Provide proof that generator is in working condition	Complete (9/26/25)	N/A
Finding 6	Provide training for company policies and procedures	In progress	2/10/26

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	Complete the Site Maturity Assessment and resolve any issues discovered during that process and submit records to ESRB	In progress	12/31/25
Finding 7	Onboard [REDACTED]	In progress	12/31/25
Finding 8	Add fire extinguisher in indicated location	Complete (5/15/25)	N/A
Finding 9	Identify muster points on site maps and add physical signage	Complete (5/30/25)	N/A