

AES Response and Corrective Plan

**CPUC AUDIT FINDINGS OF
Baldy Mesa and Silver Peak Solar & BESS
April 6 – April 9, 2026**

I. Findings Requiring Corrective Actions.

Finding 1: Deflagration panel was not fully secured in the closed position.

General Order (GO) 167-C, Appendix C, Maintenance Standard (MS) 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 8: Maintenance Procedures and Documentation states:

“Maintenance procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures must be current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation.”

GO 167-C, Appendix D, Operation Standard (OS) 8: Plant Status and Configuration states:

“Facility activities are effectively managed, so the facility status and configuration are maintained to support safe, reliable, and efficient operation.”

During the onsite inspection at the Baldy Mesa and Silver Peak facilities, Electric Safety and Reliability Branch (ESRB) inspectors observed a deflagration panel that was partially open and not properly secured in its intended closed position. Deflagration panels are safety critical components designed to protect personnel and equipment by relieving pressure during an internal pressure event. When these panels are not fully secured, they may fail to activate as designed, creating a significant safety hazard and compromising the facility’s ability to operate safely and reliably.

During the inspection, a Baldy Mesa and Silver Peak technician stated that tests had recently been conducted on the deflagration panel, and as a result, the panel had been left slightly open by accident. The technician accessed the Battery Energy Storage System (BESS) controller system and was able to fully close the deflagration panel to its complete closed position during the inspection. Staff also reported that an alarm should have been triggered through their Supervisory Control and Data Acquisition (SCADA) system when the panel was partially open. However, there was no indication that any alarms were generated.

In addition, an open or partially open deflagration panel exposes the BESS unit to water intrusion, dust, and moisture. These contaminants can enter the enclosure and degrade electrical components, wiring insulation, and battery modules. Such exposure increases the risk of corrosion, electrical faults, and potential short circuits, which may lead to battery damage, internal cell shorts, or thermal events. Under certain failure conditions, this could initiate a thermal runaway event, further elevating the risk of fire and severe equipment damage.

Baldy Mesa and Silver Peak must ensure that all protective devices and safety related equipment are properly maintained, secured, and routinely verified through documented inspection and maintenance practices. In addition, all BESS units must be inspected to confirm full closure and proper securing of their deflagration panels, and Baldy Mesa and Silver Peak management must direct operators to perform a comprehensive inspection to ensure all panels are fully closed and in their correct configuration. Baldy Mesa and Silver Peak must implement procedures and checks to their current maintenance procedure to ensure that no deflagration panels remain open after work is conducted in the future. Baldy Mesa and Silver Peak must provide updated procedures and checks to ensure compliance.

Corrective Action Plan:

*AES completed an inspection of all 624 battery cube deflagration panels on June 18, 2026 to verify that each panel was fully closed, properly secured, and documented. See **attachment for Finding #1.1.***

*The AES O&M SCADA team, in collaboration with SCADA supplier and BESS Supplier, is implementing system updates to ensure that deflagration panel open conditions are captured within the SCADA supplier Tier 1 SCADA system. Enhancements include the development of alarm logic, configuration of visual alarm indicators, and assignment of severity levels to support prioritization. High-severity alarm conditions will trigger immediate review and dispatch by the Remote Operations Control Center (ROCC). Completion of alarm logic updates, system configuration, and ROCC training are targeted for October 1, 2026. In the interim, the AES O&M team is working with BESS Supplier and the BESS Supplier 24-7 site support teams to deploy email-based alarm messages to the ROCC directly through the BESS Supplier data acquisition and control system known as DAS when an alarm for deflagration panel open occurs. Completion of email-based alarms and ROCC training are targeted for July 30, 2026, as confirmed through e-mail. (see **attachment for Finding #1.2.**)*

AES has updated maintenance procedures and checklists to require verification that all deflagration panels are fully closed and secured following completion of maintenance or testing activities. These updates establish additional controls to prevent recurrence of this condition.

Finding 2: Semi-annual fire protection inspections were not documented and identified National Fire Protection Association (NFPA) 72 deficiencies were not documented as resolved.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

NFPA 72, Section 14.3.1 states:

“Unless otherwise permitted by 14.3.2, visual inspections shall be performed in accordance with the schedules in Table 14.3.1 or more often if required by the authority having jurisdiction.”

NFPA 72, Section 14.2.2.3.1 states:

“System deficiencies shall be corrected.”

During the documentation review, ESRB inspectors reviewed the NFPA 72 Visual and Functional Inspection of Fire Alarm Systems records provided for Baldy Mesa and Silver Peak. The Baldy Mesa annual report [REDACTED], identified multiple failures, including that a document cabinet was not present at the system control unit or other approved location and that copies of as-built drawings were not available at the BESS yard. During the audit, Baldy Mesa and Silver Peak provided a retest report showing that most of the deficiencies identified in the annual inspection had been addressed, however, the retest report did not include any documentation showing that these two deficiencies were corrected or otherwise resolved.

The same annual report also included a “Semi-Annual Inspection, Test and Maintenance for

Batteries (Individual or Pair)” [REDACTED]. When ESRB inspectors requested records for the other semi-annual inspection period [REDACTED] Baldy Mesa and Silver Peak were not able to provide additional records demonstrating that the other [REDACTED] inspection were completed.

Based on the [REDACTED] configuration described in the records provided for the audit, each cube contains a multi-criteria detector with carbon monoxide and smoke sensing functions, a horn/strobe, and an Input/Output device. The records also indicate that each core includes a fire panel and a horn/strobe. Under NFPA 72 Table 14.3.1, applicable devices and functions requiring semi-annual visual inspection include smoke detectors, carbon monoxide detectors/systems, alarm control interfaces and emergency control function interfaces, audible appliances, visual appliances, and applicable battery inspection items specified in Table 14.3.1. Baldy Mesa and Silver Peak did not provide records demonstrating that it completed the required semi-annual visual inspections for applicable equipment in the cores and cubes at the required frequency apart from the September 12, 2025, NFPA 72 Visual and Functional Inspection of Fire Alarm Systems report.

Periodic visual inspections are intended to identify any deficiency that may affect fire alarm system operability. When Baldy Mesa and Silver Peak does not complete or document required semi-annual visual inspections, and when identified deficiencies are not supported by documented corrective actions, Baldy Mesa and Silver Peak cannot demonstrate that it is effectively identifying, tracking, and resolving fire protection issues. The absence of documented follow-up for the missing document cabinet and unavailable as-built drawings also limits Baldy Mesa and Silver Peak’s ability to demonstrate that those deficiencies were entered into the corrective action process and resolved in a timely manner.

Baldy Mesa and Silver Peak must ensure that all fire protection devices requiring semi-annual visual inspection under NFPA 72 are inspected and documented at the required frequency. Baldy Mesa and Silver Peak must also follow up with [REDACTED], Inc. to resolve the identified deficiencies related to the missing document cabinet at the system control unit and the absence of as-built drawings at the BESS yard and maintain documentation showing how those deficiencies were corrected. Baldy Mesa and Silver Peak must submit documentation showing how these identified deficiencies were reviewed and resolved, along with documentation describing how it will ensure future compliance with the required NFPA 72 semi-annual inspection frequency, to ESRB for review and verification.

Corrective Action Plan:

*AES updated the semi-annual preventive maintenance (PM) program to include required visual inspections for cube-level (multi-criteria detectors, I/O modules, horn/strobes) and core/node-level (fire panels and horn/strobes) equipment (see **attached Finding #2.1 and Finding #2.1.2**). These updates have been incorporated into the Six-Month PM checklist and will be implemented beginning with the next scheduled inspection cycle.*

*AES engaged our contractor to install a compliant fire system document cabinet located at or near the fire alarm control unit. As-built drawings and required system documentation will be placed within the cabinet upon installation, as seen in **attached Finding #2.2**. Target completion date: July 30, 2026.*

AES will provide records confirming completion of corrective actions, including installation of the document cabinet, availability of as-built drawings, and implementation of inspection documentation practices. AES will also establish a compliance tracking mechanism within its work management system to ensure ongoing adherence to NFPA 72 and GO 167-C requirements.

Finding 3: Pre-audit documentation submitted was incomplete and contained inconsistencies with site conditions.

GO 167-C, Appendix D, OS 2: Organizational Structure and Responsibilities states:

“The organization with responsibility and accountability for establishing and implementing an operation strategy to support company objectives for reliable facility operation is clearly defined, communicated, understood, and is effectively implemented. Reporting relationships, control of resources, and individual authorities support, are clearly defined, and commensurate with responsibilities.”

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

Documentation was not submitted completely by the required due date. Several requested safety records, maintenance records, and inspection documents were missing at the time of submittal. Additionally, work order documentation contained inaccurate dates and inconsistencies when compared to the work order management system observed while on site. Accurate and complete documentation is essential to verify that required inspections and maintenance activities are being performed as scheduled and that equipment condition is properly tracked. Incomplete or inconsistent records reduce confidence in the accuracy of the maintenance history and limit the ability to confirm that required work has been performed.

Baldy Mesa and Silver Peak, AES [REDACTED], must ensure that documentation is submitted completely and by the required due dates for all future CPUC regulatory enforcement activities on AES [REDACTED] facilities.

Corrective Action Plan:

Site managers will be trained on the importance of the work management process (see attachment Finding #3.1) for completing work orders with details of the tasks performed. The training was completed June 24, 2026, and a list of attendees is provided in attached Finding #3.1.2.

*Attached are closed work orders that demonstrate that all data, reports, and records are being collected in the appropriate manner, according to CPUC expectations. (see **attached Findings #3.2 and 3.2.2**).*

Emphasized the importance of timely submission of CPUC regulatory enforcement

compliance documents by providing training to all Field Operations Regional Managers, ROCC Managers, Team Leaders, BOP Specialists, Planners, and Engineers. Also recommended preparing a compliance checklist and assigning a dedicated subject matter expert to collect the required audit documents and ensure timely submission to the CPUC.

Finding 4: Work orders lack sufficient detail and are not consistently entered prior to work completion.

GO 167-C, Appendix C, MS 7: Balance of Maintenance Approach states:

“The maintenance program includes the proper balance of the various approaches to maintenance, e.g., preventive, predictive, or corrective. The approach is adequately documented with consideration of economics and reliability of equipment or components, and their effect on reliable operation of the unit. Operating experience is factored into the program. Maintenance procedures and documents should include the generation and/or ESS equipment, and all components owned and operated by the ESSO/GAO directly connected to the plant. All integral parts of delivering power to the grid (e.g. fuel supply systems, electrical switchyards, transmissions lines, control systems, penstocks, flumes, heating and cooling systems, exhaust system, communications systems, etc.) are included.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

GO 167-C, Appendix D, OS 16: Participation by Operations Personnel in Work Orders states:

“Operations personnel identify potential system and equipment problems and initiate work orders necessary to correct system or equipment problems that may inhibit or prevent facility operations. Operations personnel monitor the progress of work orders affecting operations to ensure timely completion and closeout of the work orders, so that the components and systems are returned to service. Among other things:

- a) Operations personnel identify problems requiring work orders, and initiate work orders to correct those problems.*
- b) The operations manager or other appropriate operating personnel periodically review work orders that affect operations to ensure timely completion and closeout of the work orders, so that components and systems are returned to service.*
- c) Personnel responsible for prioritizing work orders consult operations personnel to assure that work orders affecting the operations of the plant are properly prioritized.*
- d) Appropriate personnel are trained in and follow procedures applicable to work orders.”*

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

During the documentation review, ESRB inspectors observed that work orders at Baldy Mesa and Silver Peak do not consistently contain sufficient detail describing the work performed. Several work orders lacked adequate descriptions of completed activities, including work performed by contractors and warranty-related work. Warranty replaced equipment was found to not be consistently tracked in the work orders associated with the issues that caused the work order to be opened. Additionally, some work orders were entered into the system after the work had already been completed, limiting the ability to effectively plan, track, and verify maintenance activities. Work orders were found with descriptions stating the work was completed with a date being a month before the work order was created in the system.

Work orders serve as an important tool for documenting maintenance history, tracking work status, identifying recurring issues, supporting warranty claims, and ensuring continuity of knowledge across site personnel. Incomplete or delayed work order entry reduces effectiveness of work order management system, limits transparency of work performed, and hinders the ability to verify that maintenance activities were completed in accordance with site requirements. Baldy Mesa and Silver Peak must ensure that work orders are created promptly upon initiation of work and contain sufficient detail to clearly describe the scope of work completed, including contractor activities and warranty-related actions.

Corrective Action Plan:

Refresher training on work management related to notification creation will be provided to the Field Operations team, Reliability Engineers, ROCC team, and planners. The target completion date is July 30, 2026.

*Detailed job descriptions including contractor activities and warranty work will be captured in a work management system. Refresher training focused on detailed work scope descriptions for the contractor work activities and warranty work update process will be provided to employees. The target completion date is July 30, 2026. The work management training program (refer back to **attachment Finding #3.1**) will provide the correct process for contractor activities and warranty tracking. If necessary, will be obtained from the LTSA contractor, and the report will be stored digitally in the appropriate document storage server. A list of attendees for this training can be provided upon completion of the training.*

Training will be conducted to reinforce proper work management procedures, which includes periodic review of work orders, prioritization, the timely close-out of work orders, with detail. The target completion date is July 30, 2026.

Finding 5: Baldy Mesa and Silver Peak does not document engineering justification when not following oil analysis recommendations.

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation.”

GO 167-C, Appendix C, MS 13: Equipment Performance and Material Condition states:

“Equipment performance and material condition support reliable facility operation. This is achieved using a strategy that includes methods to anticipate, prevent, identify, and promptly resolve equipment performance problems, corrosion, and degradation.”

During the documentation review, ESRB inspectors reviewed Dissolved Gas Analysis (DGA) reports for transformers at the site. The Delta-X Research TOA Analysis Report for Solar Pad Mount 460636 identified abnormal ethylene (C₂H₄) and carbon dioxide (CO₂) levels and listed a Duval Triangle diagnosis of T3 - High-range thermal fault (above 700°C). The report's DGA remarks section also stated: *“(Initial sample). Abnormal or high gas levels. Thermal fault (above 700°C). An additional sample is required to check for active gassing.”*

When ESRB inspectors asked whether Baldy Mesa and Silver Peak had followed up on this recommendation, Baldy Mesa and Silver Peak were unable to provide records showing that it took further action, such as obtaining an additional sample or documenting an engineering evaluation supporting a decision not to resample. Baldy Mesa and Silver Peak stated that the remarks in the Delta-X report were auto-populated by the software. However, ESRB inspectors reviewed other Delta-X reports and found that the remarks section was not uniformly auto-populated, as some reports stated “No anomalies” rather than recommending further action.

Baldy Mesa and Silver Peak also explained that AVO Diagnostic Services performs the oil analysis and issues the primary report, and that the Delta-X report is a secondary in-house report used to evaluate the AVO Diagnostic Services results. However, ESRB inspectors reviewed the AVO Diagnostic Services report and noted that it also identified abnormal C₂H₄ and CO₂ levels for medium voltage pad mount transformer 460636, which further indicates that the Delta-X report's recommendation was not simply an auto-populated software comment, but a potentially valid recommendation to obtain an additional sample to assess active gassing.

Oil analysis reports are intended to identify abnormal transformer conditions and support timely maintenance decisions. When a report identifies abnormal gas levels or recommends follow-up action, Baldy Mesa and Silver Peak must document the technical basis for its evaluation of the

result, including any decision not to take further action. Without that documentation, Baldy Mesa and Silver Peak cannot demonstrate that it appropriately evaluated the condition or used the oil analysis results effectively to support equipment reliability.

Baldy Mesa and Silver Peak must establish and implement a procedure for reviewing oil analysis reports that defines how personnel evaluate abnormal results and document the technical basis for any decision not to take further action. Baldy Mesa and Silver Peak must submit that procedure, along with documentation showing how it evaluated and resolved the findings for medium voltage pad mount transformer [REDACTED], to ESRB for review and verification.

Corrective Action Plan:

AES reviewed the DGA results for transformer 460636. The initial oil sample indicated ethylene levels approximately 2 ppm above the minimum alert threshold. This recommendation was generated based on a single data point. DGA analysis relies on trending over time, and a single sample may not be sufficient to confirm an active fault condition. In this case, the recommendation for resampling was based on conservative thresholds and the absence of historical trending data. AES documented the engineering basis for not requiring immediate additional action and will ensure that similar evaluations are recorded going forward.

Establish a formal procedure for evaluation of abnormal oil analysis results. AES developed a procedure requiring that all DGA results are reviewed, and that recommendations are either acted upon or formally documented with technical justification when overridden. This procedure establishes requirements for documenting evaluation rationale, trending considerations, and engineering decision-making.

*AES provided the updated procedure and documentation related to transformer 460636 to the Electric Safety and Reliability Branch (ESRB) for review. Please see attachment in **Finding #5.2**.*

Finding 6: SCADA system has functional issues and operational inconsistencies.

GO 167-C, Appendix D, OS 9: Engineering and Technical Support states:

“Engineering activities are conducted such that equipment performance supports reliable facility operation. Engineering provides the technical information necessary for the facility to be operated and maintained within the operating parameters defined by facility design. Software is up-to-date for cyber security and routinely backed up for safety, reliability, and operational purposes. Engineering and technical staff provide support, when needed, to operations and maintenance groups to resolve operations and maintenance problems.”

GO 167-C, Appendix D, OS 12: Operations Conduct states:

“To ensure safety and optimize facility availability, the facility conducts operations systematically, professionally, and in accordance with approved policies and procedures. The facility takes responsibility for personnel actions, assigns personnel to tasks for which they are trained, and requires personnel to follow facility and operation procedures and instructions while taking responsibility for safety. Among other things:

- a) All personnel follow approved policies and procedures. Procedures are current and include a course of action to be employed when an adopted procedure is found to be deficient.*
- b) All operations are performed in a professional manner. Professional conduct applies throughout the facility site at all times.*
- c) All personnel on duty are trained, qualified, and capable of performing their job functions. Personnel are assigned only to duties for which they are properly trained and qualified.*
- d) Personnel take immediate actions to prevent or correct unsafe situations. Anyone shall have the right to stop work if they see an unsafe condition.”*

GO 167-C, Appendix D, OS 15: Communications and Work Order Meetings states:

“The availability of the GA and/or ESS and safety of personnel is ensured during the execution of work orders by adequate communications and meetings, which may be scheduled or as needed, to review work plans with all affected personnel before work begins. Clear lines of communication exist between personnel responsible for operations, maintenance, and engineering groups. Among other things:

- a) The GAO or ESSO prepares and maintains a procedure for review of work plans through communications and work order meetings at the facility.*
- b) Work is analyzed to determine what personnel, components, and systems are affected.*
- c) Affected personnel meet before work begins to define the work, identify safety issues, to minimize the impact on facility operation, and to determine the need for further meetings.*
- d) Personnel are trained in and follow the procedure.”*

During the audit, ESRB inspectors observed discrepancies within the SCADA alarm management system at Baldy Mesa and Silver Peak. Inspectors noted that certain alarms did not appear in the main alarm interface, sections of the fire alarm interface were greyed out, and field verified equipment faults were not accurately reflected within the SCADA system. Accurate alarm visibility is essential to ensure operators are promptly informed of abnormal conditions and can respond appropriately. Discrepancies between field conditions and SCADA alarm indications may result in delayed response to equipment faults and reduce operator awareness of system status. Alarm interfaces must provide clear and reliable information to support safe and effective operation of the facility.

Baldy Mesa and Silver Peak must review and correct discrepancies within the SCADA alarm management system to ensure alarms are properly displayed, fire alarm system interfaces are fully functional, and equipment faults identified in the field are accurately reflected within the system. Baldy Mesa and Silver Peak must verify proper alarm functionality and ensure alarm configurations remain consistent with actual equipment conditions.

Corrective Action Plan:

*AES initiated corrective actions in coordination with SCADA supplier to address discrepancies between field conditions and SCADA system representation. Tickets were created to address meter readings not matching expected setpoints, including Baldy Mesa ticket R-090325 and Silver Peak ticket R-090323. The SCADA Supplier is actively working on addressing the issue. Additional investigation related to offline meter conditions is being tracked under SAP work order 1002992898 (see **attachment Finding #6.1**).*

*AES O&M personnel are actively collaborating with SCADA and BESS suppliers to restore functionality of the fire detection Human Machine Interface (HMI). Ongoing efforts are documented in internal coordination threads addressing resolution of open concerns associated with fire alarm detection screens. Previously identified communication and alarm visibility issues, including tracker communication anomalies (SCADA ticket R-090898; SAP 1002992951 [see **attachment Finding #6.2**]), are in the process of being resolved. Target completion date end of September 2026.*

AES is working with SCADA supplier to enhance SCADA alarm configuration standards and implement routine validation checks to ensure alignment between SCADA system indications and field conditions. These efforts include refinement of alarm delay logic to reduce nuisance alarms while maintaining accurate and timely alarm visibility for operators.

Finding 7: Emergency drills not conducted at six-month intervals and improperly documented.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*
- e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”*

During the inspection, ESRB inspectors found that emergency drill records were not adequately documented, were not centrally retained, and that drills were not being conducted at the required six-month frequency as specified in the Baldy Mesa and Silver Peak Emergency Response & Communication Plan (ERCP). The Baldy Mesa and Silver Peak ERCP states that *“Drills or other tests of the ERCP must take place at least semi-annually and be documented. Drills must be specific, and the results of the exercises must be documented”*. Although Baldy Mesa & Silver Peak Solar & BESS personnel indicated that emergency drills had been conducted, the available documentation consisted primarily of sign-in sheets and did not adequately document the drill scenario performed, results of the exercise, lessons learned, issues identified, or corrective actions. Additionally, records were incomplete limiting the ability to demonstrate that drills were consistently conducted at the required frequency. Incomplete or missing drill documentation makes it difficult to verify training effectiveness, evaluate emergency preparedness, and identify areas for improvement. Emergency drills are essential to ensure that employees understand alarm recognition, evacuation routes, and muster point locations during an emergency. Emergency drills also allow Baldy Mesa and Silver Peak management to identify and remedy issues with their emergency systems and procedures in a controlled environment.

Baldy Mesa and Silver Peak must conduct drills in accordance with the requirements of the implemented ERCP and ensure that each drill is formally documented. Documentation must include the date of the drill, participating personnel, and any identified lessons learned or corrective actions.

Corrective Action Plan:

To address documentation gaps, AES has implemented a formalized drill planning and reporting structure that captures key elements including drill date, participating personnel, scenario description, observed performance, lessons learned, and corrective actions. This approach ensures compliance with ERCP requirements and supports continuous improvement of emergency preparedness practices.

*Supporting documentation, including the emergency drill plan, is provided for reference (see **attachment Finding #7.1**). An emergency drill was conducted on June 26, 2026.*

*AES established a structured drill planning and reporting process to document scenarios, results, lessons learned, and corrective actions for each exercise. See **Finding #7.2** for the full report.*

Finding 8: Baldy Mesa and Silver Peak have not maintained generator usage logs for the Hamlin Substation generator as required.

GO 167-C, Appendix D, OS 10: Environmental Regulatory Requirements states:

“Environmental regulatory compliance is paramount in the operation of the facility. Each regulatory event is identified, reported and appropriate action taken to prevent recurrence.”

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

Mojave Desert Air Quality Management District Permit states in part:

“6. The owner/operator shall maintain an operations log for this unit current and on-site (or at a central location) for a minimum of three (3) years, and this log shall be provided to District, State and Federal personnel upon request. The log shall include, at a minimum, the information specified below:

- a. Date of each use and duration of each use (in hours);*
- b. Reason for use (testing & maintenance, emergency, required emission testing);*
- c. Calendar year operation in terms of fuel consumption (in standard cubic feet or gallons) or total hours; and,*
- d. Records of all inspections, maintenance and repair actions.”*

During the documentation review, ESRB inspectors learned that Baldy Mesa and Silver Peak was replacing the older Hamlin Substation emergency generator with a new generator and was using a temporary generator while the new unit was being commissioned. ESRB inspectors requested the permit and operating records for the older generator after Baldy Mesa and Silver Peak provided the permit for the new generator. Although ESRB inspectors requested the permit

required usage logs for the older generator, Baldy Mesa and Silver Peak did not provide any records documenting its operation.

Baldy Mesa and Silver Peak's inability to produce usage logs for the old generator indicates that it did not maintain the records required by the generator permit. Without these logs, Baldy Mesa and Silver Peak cannot demonstrate when the generator operated, how long it operated, and why it operated. Maintaining complete and current generator operating records is necessary to demonstrate environmental compliance and proper operational oversight.

Baldy Mesa and Silver Peak must ensure that it maintains complete and current usage logs for the substation emergency generator in accordance with the Mojave Desert Air Quality Management District permit. Baldy Mesa and Silver Peak must implement a procedure to ensure that personnel document each generator operation and all permit-required details at the time of use, and Baldy Mesa and Silver Peak must submit that procedure to ESRB for review and verification.

Corrective Action Plan:

*AES implemented the Substation Emergency Generator Log Sheet (see **attachment Finding #8.1**) to track generator operations, including date, start time, end time, duration, fuel level, generator hours, battery voltage, oil level, coolant level, leak observations, reason for use, and associated SAP work order number.*

AES will ensure all completed logs are retained either onsite or within the centralized digital storage server.

AES implemented a formal procedure requiring generator usage information to be recorded at the time of operation, including verification of entry, recorded by personnel identification, and supervisory review.

Finding 9: Required snake-chaps not identified in the site orientation or in the ERCP.

GO 167-C, Appendix D, OS 1: Safety states:

"The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company's behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures."

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states:

"Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown, charging, discharging, normal operation, failure detection, alarm response,

reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 12: Operations Conduct states:

“To ensure safety and optimize facility availability, the facility conducts operations systematically, professionally, and in accordance with approved policies and procedures. The facility takes responsibility for personnel actions, assigns personnel to tasks for which they are trained, and requires personnel to follow facility and operation procedures and instructions while taking responsibility for safety. Among other things:

- a) All personnel follow approved policies and procedures. Procedures are current and include a course of action to be employed when an adopted procedure is found to be deficient.*
- b) All operations are performed in a professional manner. Professional conduct applies throughout the facility site at all times.*
- c) All personnel on duty are trained, qualified, and capable of performing their job functions. Personnel are assigned only to duties for which they are properly trained and qualified.*
- d) Personnel take immediate actions to prevent or correct unsafe situations. Anyone shall have the right to stop work if they see an unsafe condition.”*

During the inspection, ESRB inspectors found that snake-chaps are required for personnel at the facility during summer months due to venomous snakes found in the area. This requirement was not identified in the site orientation materials or in the ERCP. The lack of documented required safety equipment from these documents results in unclear expectations for personnel and may lead to inconsistent use of safety equipment in environments where wildlife hazards are present. When required safety equipment is not documented, personnel may not be fully aware of necessary protective measures that must be taken to ensure their safety while on site. The absence of required safety equipment from the orientation materials and ERCP indicates that these documents do not accurately represent current operating practices. Baldy Mesa and Silver Peak must ensure that all required safety equipment, including snake-chaps, is fully and accurately documented in the site orientation materials, ERCP, and any other relevant safety or operational procedures. Baldy Mesa and Silver Peak must update these documents to reflect actual safety requirements and submit any updated documentation to ESRB.

Corrective Action Plan:

AES updated the orientation PowerPoint to include snake-chaps (see *attachment Finding #9.1*) within the PPE section, clearly defining their required use during warmer months.

AES will ensure consistent inclusion across orientation materials, ERCP, and safe work procedures.

Please find attached the updated ERCP and its presentation which was covered with required PPE including snake chaps (see **attachment Finding #9.3**).

Finding 10: Quarterly emergency communication system testing not conducted.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*
- e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”*

During the inspection, ESRB inspectors found quarterly testing of communication system was not being conducted and documented. Baldy Mesa and Silver Peak ERCP states that *“Communication systems (cell phones, radios, sat phones, computer messaging systems) must be tested at least every three months and documented. Satellite phones tests are documented by ISOC. All others are documented locally, and available from the EHS department”*. While on site it was confirmed that site personnels cell phones were used for emergency communication and was the primary communication system utilized by Baldy Mesa and Silver Peak.

The absence of testing records indicates that Baldy Mesa and Silver Peak's procedures for maintaining its communication systems are not being followed or documented as required.

Baldy Mesa and Silver Peak must ensure that all emergency communication systems, including text message notification platforms, are tested according to their procedures interval and that each test is fully documented. Baldy Mesa and Silver Peak must submit a documented test of their communications system and any updated or created procedure in relation to testing the Communications system.

Corrective Action Plan:

AES incorporated quarterly emergency communication system testing requirements since the month of June 2026 and will perform testing at least every three (3) months for all primary and secondary communication systems.

*AES documents all communication testing activities and maintains records through the EHS program to demonstrate compliance and ensure traceability of testing activities. AES conducted and documented a quarterly emergency communication system test on June 16, 2026. The test included validation of primary communication systems using cellular phone calls, text messaging, and email communication across site personnel. Results demonstrate successful communication and response verification across personnel with documented response times and acknowledgment tracking. These records provide verification of system functionality and compliance with revised ERCP requirements. Please find the attached 2nd quarter test records in **attachment Finding #10.2**.*

*AES developed and implemented a standardized testing approach and check list and will continue to perform and document quarterly testing of all emergency communication systems and maintain records through the EHS program to ensure ongoing compliance and verification of communication readiness. Supporting documentation, including the quarterly test log, is provided for reference (see **attachment Finding #10.2**).*

Finding 11: Lockout/Tagout (LOTO) was found without the required contact phone number recorded on the tag

GO 167-C, Appendix D, OS 1: Safety states:

"The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company's behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures."

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states:

“Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown, charging, discharging, normal operation, failure detection, alarm response, reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*
- e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”*

During the inspection, ESRB inspectors observed LOTO tags at the facility missing the required phone number on the back of the tag, as specified by site procedures. Baldy Mesa and Silver Peak LOTO program EHS-PRGM-0009 states clearly about lockout devices and accompanied tags *“The Lockout Device must uniquely identify the owner of the Lockout Device by means such as, but not limited to, be individually identifiable, and include the owner’s full name (initials alone are not acceptable) and individual telephone number (general company phone number is not acceptable). The lock will be accompanied by a tag with full name and individual telephone number if unable to document all information on the lock”*. Incomplete LOTO tags hinder effective communication during equipment isolation and can delay coordination in the event of an incident. Ensuring that LOTO tags are fully and accurately completed is a fundamental element of maintaining safety culture.

Baldy Mesa and Silver peak must ensure that all LOTO tags are fully completed, including the required phone number and all other identifying information, prior to use. Baldy Mesa and Silver

peak must also ensure that personnel are aware of the implemented procedures in place and ensure that all procedures are followed. Periodic checks must be conducted to ensure that all hung tags are properly completed.

Corrective Action Plan:

*AES conducted a Lockout/Tagout (LOTO) training session on June 25, 2026. The training reinforced requirements that all LOTO tags must include the full name and individual telephone number of the authorized employee. Supporting training materials are provided for reference (see **attached Finding #11.1**).*

*AES utilizes a standardized Site Docs checklist and conducts periodic field audits through site leadership and the Safety Team to ensure continuous compliance with LOTO requirements. The corrective action requiring implementation of a mandatory checklist was addressed through existing processes within Site Docs. A standardized checklist is currently in place and is utilized to support the LOTO program. In addition, site leadership and the Safety Team conduct routine and periodic field audits (see **attached Finding #11.2**) to verify proper application of LOTO procedures by both employees and contractors.*

Finding 12: Equipment labels and stickers are degraded and weather worn.

GO 167-C, Appendix C, MS 1: Safety states in part:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority.”

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 11: Plant Status and Configuration states:

“Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation.”

During the field inspection, ESRB inspectors observed that multiple equipment labels and safety stickers at Baldy Mesa and Silver Peak were degraded due to weather exposure and aging. Several labels were faded, peeling, or no longer clearly legible. Nitrogen UN1066 hazard signage previously installed on medium voltage transformers throughout the site were observed to be significantly weathered and disintegrated on multiple units. Equipment labeling and hazard signage are necessary to ensure personnel can readily identify equipment, associated hazards, and applicable safety precautions. Degraded labels reduce the effectiveness of hazard communication and may result in improper operation and delayed recognition of hazards during normal work activities or emergency response situations.

Baldy Mesa and Silver Peak must replace degraded equipment labels with durable materials suitable for outdoor conditions. Nitrogen UN1066 signage must be restored on medium voltage transformers where applicable. Baldy Mesa and Silver Peak must implement periodic inspection of equipment labeling and hazard signage to ensure required information remains clearly visible and maintained. Baldy Mesa and Silver Peak must provide ESRB with the implemented signage inspection procedures for verification.

Corrective Action Plan:

AES initiated a comprehensive inspection of all equipment labeling and hazard signage across the facility. Field Operations team is scheduled to perform a pad-to-pad assessment to identify all weathered, peeling, or illegible labels. A consolidated deficiency list will be developed, and work orders will be generated to replace all identified labels using durable, weather-resistant materials suitable for long-term outdoor deployment. Target completion date is August 31, 2026.

All affected medium voltage transformers will be equipped with fully compliant Nitrogen UN1066 hazard plaques. Replacement signage will be installed following completion of field assessments and material procurement. Target completion date is July 31, 2026.

AES will incorporate labeling and hazard signage verification into routine inspection and maintenance procedures. A tracking mechanism will be established within the work management system to document inspections, deficiencies, and corrective actions. Target completion date is July 31, 2026.

Finding 13: Site maps contain outdated and inaccurate information.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states in part:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility*
- c) Ensures provision of emergency information and materials to personnel”*

During the documentation review and site inspection, ESRB inspectors observed that site maps at Baldy Mesa and Silver Peak contain outdated information that does not reflect current site conditions. Inspectors identified gas storage locations that no longer exist and inaccurate muster point designations that do not match the actual locations observed in the field. Accurate site maps are necessary to support safe operations, emergency response, and effective communication of site hazards. Outdated or inaccurate maps may cause confusion during emergency situations and may delay response actions by personnel or first responders. Inaccurate muster point locations induce the possibility of personnel mustering at wrong locations possibly putting them at risk and reducing the ability of site coordination during an emergency.

Baldy Mesa and Silver Peak must review and update site maps to ensure gas storage locations, muster points, and other critical safety information accurately reflect current site conditions. Updated maps must be consistently reflected across all documentation and posted materials to ensure personnel and emergency responders have reliable information. ESRB must be provided with the updated maps for verification.

Corrective Action Plan:

AES reviewed and updated all site maps to reflect actual site layout.

Updated maps have been integrated into both orientation materials and the ERCP.

*See **Finding #13.1.***

Additional signage was reviewed and deemed not applicable.

Finding 14: Site designated smoking areas are not clearly defined.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states in part:

“Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task...”

During the audit, ESRB inspectors reviewed the ERCP and noted that on page 19 it states, “Smoking on site is permitted only in designated areas.” However, the site orientation did not identify any permitted smoking locations, and the site maps did not identify any designated smoking areas. Baldy Mesa and Silver Peak personnel informed ESRB inspectors that a smoking

area is located outside the gate near the muster point. This information was not reflected in the site documentation.

Site safety documents must clearly define whether smoking is allowed on site and, if so, where personnel may smoke. At a solar facility, vegetation can create a potential fire hazard, which makes it especially important to clearly define and control any designated smoking areas. When the plan states that smoking is permitted only in designated areas, but the site orientation and maps do not identify those areas, site documentation does not provide clear direction to personnel and does not accurately reflect site conditions. This lack of clarity may create confusion regarding where smoking is permitted and may result in inconsistent compliance with site safety requirements.

Baldy Mesa and Silver Peak must clearly establish whether smoking is allowed on site. If smoking is allowed, Baldy Mesa and Silver Peak must identify all designated smoking areas in relevant site documents, including the site orientation, the ERCP, and site maps, as appropriate, to ensure personnel clearly understand where smoking is permitted and to reduce potential fire risk. If smoking is not allowed on site, Baldy Mesa and Silver Peak must revise the relevant documents to clearly state that smoking is prohibited. Baldy Mesa and Silver Peak must submit the updated documents to ESRB for review and verification.

Corrective Action Plan:

*AES completed corrective actions to address this deficiency through revision of the Baldy Mesa & Silver Peak Emergency Response & Communication Plan (ERCP) (see **attachment Finding #14.1, page 22**) and updates to site orientation requirements. The revised ERCP explicitly states that smoking is prohibited within the solar array fence line and is only permitted outside of the secured array areas. The updated plan also requires that all solar array site entry gates be clearly marked with 'No Smoking' signage to reinforce this requirement and eliminate ambiguity regarding acceptable smoking locations.*

'No Smoking' signage has been delivered to the Baldy Mesa and Silver Peak sites and will be installed at all required access points and entry gates by July 31, 2026. Completion of signage installation will ensure clear, visible, and enforceable communication of site smoking restrictions.

*Supporting documentation, including the revised ERCP, is provided for reference (see **attachment Finding #14.1**).*

Finding 15: Vegetation management is not being maintained in accordance with site requirements.

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

"The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS."

GO 167-C, Appendix C, MS 11: Facility Status and Configuration states:

"Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation."

GO 167-C, Appendix D, OS 12: Operations Conduct states:

“To ensure safety and optimize facility availability, the facility conducts operations systematically, professionally, and in accordance with approved policies and procedures. The facility takes responsibility for personnel actions, assigns personnel to tasks for which they are trained, and requires personnel to follow facility and operation procedures and instructions while taking responsibility for safety. Among other things:

- a) All personnel follow approved policies and procedures. Procedures are current and include a course of action to be employed when an adopted procedure is found to be deficient.*
- b) All operations are performed in a professional manner. Professional conduct applies throughout the facility site at all times.*
- c) All personnel on duty are trained, qualified, and capable of performing their job functions. Personnel are assigned only to duties for which they are properly trained and qualified.*
- d) Personnel take immediate actions to prevent or correct unsafe situations. Anyone shall have the right to stop work if they see an unsafe condition.”*

During the field inspection, ESRB inspectors observed that vegetation management at Baldy Mesa and Silver Peak is not being adequately executed. Tumbleweeds were observed tangled in wiring, and vegetation height exceeded acceptable levels in multiple areas, including green vegetation exceeding 12 inches and brown shrubs exceeding 4 inches in height. Baldy Mesa and Silver Peak Vegetation Management Responsibility letter states “*i) Dry grass should be maintained 4 inches or less ii) Green grass should be maintained 12 inches or less*” Excessive vegetation presents an increased fire risk, may interfere with electrical equipment, and can impede safe access for inspection and maintenance activities. Accumulated tumbleweeds can also create additional fuel loading near energized equipment and restrict airflow around components. Baldy Mesa and Silver Peak must improve vegetation management practices to ensure vegetation height remains within acceptable limits and that tumbleweeds are removed from areas near wiring and equipment.

Baldy Mesa and Silver Peak management expressed concerns about the removal of tumbleweeds in regard to the possibility of nesting birds within the tumbleweeds. Nesting birds is an acceptable reason to not remove a tumbleweed due to California avian regulations but only for tumbleweeds that are actively being nested in. Tumbleweeds must be inspected for avian activity and if found without any signs of nesting swiftly removed from the site. Additionally, Baldy Mesa and Silver Peak Vegetation Management Responsibility letter does not reference avian activity at all and makes no exceptions for tumbleweeds with active nests. Baldy Mesa and Silver Peak must make their procedures clear on when and how items such as tumbleweeds are dealt with on site and what to do when vegetation management observes avian nesting activity in foliage that would otherwise be removed.

Baldy Mesa and Silver Peak must provide an updated vegetation maintenance procedure and

provide evidence that the implemented vegetation maintenance procedure is being followed.

Corrective Action Plan:

*AES took corrective actions to address this deficiency. Vegetation management activities at the Baldy Mesa and Silver Peak sites have been reinforced to address areas where vegetation exceeded prescribed height limits and where tumbleweed accumulation was identified during the inspection (see **attachment Finding #15**).*

Targeted mowing, trimming, and vegetation clearing efforts have been implemented to restore compliance with site vegetation management thresholds, including maintaining dry vegetation at or below 4 inches and green vegetation at or below 12 inches. Areas identified with excessive vegetation have been prioritized for immediate remediation to reduce fire risk and maintain safe operating conditions.

In addition, site personnel conducted inspections to identify and remove tumbleweeds and other organic debris entangled in operational equipment and wiring structures. These activities are being incorporated into routine maintenance and inspection practices to prevent recurrence and ensure continued compliance with operational standards.

The corrected actions are further illustrated by field observations documented in the figures below (see Figures 1 through 1-6).

Finding 16: Identified deficiencies were not consistently documented or entered into the work order system in a timely manner.

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

During the documentation review, ESRB inspectors reviewed BESS maintenance records provided by Baldy Mesa and Silver Peak, including a [REDACTED]. The spreadsheet did not include an inspection date, so ESRB inspectors could not determine when the inspection was performed. In addition, the notes section for [REDACTED], “HVAC 1 has frozen display screen,” which indicates that personnel identified an equipment issue during the inspection.

During the audit, Baldy Mesa and Silver Peak personnel created a work order for the frozen HVAC screen. However, because the inspection record did not include a date and the work order was created during the audit rather than when the issue was initially identified, Baldy Mesa & Silver Peak Solar could not demonstrate that the deficiency was documented and entered into the

work management process in a timely manner. Inspection records must include sufficient information, including the inspection date, to support equipment history and follow-up tracking. When personnel identify equipment deficiencies during inspections, they must promptly document and track those deficiencies through the work order process so Baldy Mesa and Silver Peak can evaluate, prioritize, and resolve them.

Baldy Mesa and Silver Peak must ensure that BESS inspection records include the inspection date and sufficient detail to support equipment history and follow-up tracking. Baldy Mesa and Silver Peak must also ensure that personnel promptly initiate work orders for deficiencies identified during inspections so that issues are formally tracked through resolution. Baldy Mesa and Silver Peak must submit documentation showing how it reviewed and resolved the frozen HVAC screen issue for [REDACTED] to ESRB for review and verification.

Corrective Action Plan:

AES implemented an enhanced data-entry protocol requiring that all preventive maintenance and inspection checklists are filled out at the time of maintenance or inspection completion. Work management training is provided to ensure consistent documentation practices on July 30, 2026.

AES will promptly create notifications that deficiencies identified during inspections. Planners will screen recently created notifications periodically, then it will be created work order. Process expectations have been reinforced through training to ensure deficiencies are documented and tracked through resolution. Notification creation after finding issues during inspections and will be covered in the July 30, 2026 work management training.

*The identified HVAC display failure was repaired, and work order documentation was updated to reflect completion. Final documentation, including supporting records, was prepared. (see **attached Finding #16.3**).*

Finding 17: Weekly inspections were not conducted in accordance with Spill Prevention, Control, and Countermeasure (SPCC).

GO 167-C, Appendix D, OS 13: Routine Inspections states:

“Routine inspections by facility personnel ensure that all areas and critical parameters of facility operations are continually monitored, equipment is operating normally, and that routine maintenance is being performed. Results of data collection and monitoring of parameters during routine inspections are utilized to identify and resolve problems, to improve facility operations, and to identify the need for maintenance. All personnel are trained in the routine inspection procedures relevant to their responsibilities. Among other things, each GAO or ESSO creates, maintains, and implements routine inspections by:

a) Identifying systems and components critical to system operation such as, but

- not limited to, those listed in the guidelines to Operating Standard 28.*
- b) Establishing procedures for routine inspections that define critical parameters of these systems, describe how those parameters are monitored, and delineate what action is taken when parameters meet alert or action levels.*
 - c) Training personnel to conduct routine inspections.*
 - d) Monitoring and conducting trend analysis from routine inspections.”*

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

40 Code of Federal Regulations (CFR) §112.7(e) states in part:

“Conduct inspections and tests required by this part in accordance with written procedures that you or the certifying engineer develop for the facility. You must keep these written procedures and a record of the inspections and tests, signed by the appropriate supervisor or inspector, with the SPCC Plan for a period of three years.”

During the documentation review, ESRB inspectors reviewed the Baldy Mesa & Silver Peak SPCC Plan, which states in Section 7, under General Inspections, that *“Inspections include weekly, monthly, and annual inspections (40 CFR 112.7[e]).”* Baldy Mesa & Silver Peak provided records demonstrating that monthly and annual SPCC inspections are being conducted. However, Baldy Mesa & Silver Peak did not provide documentation demonstrating that weekly SPCC inspections are being performed. Only monthly and annual inspection records were available for review.

Weekly SPCC inspections are required to verify the comprehensive condition of oil containing equipment, secondary containment systems, and overall spill prevention measures. Failure to perform and document weekly inspections may result in undetected deficiencies and further limits the facility’s ability to demonstrate compliance with its SPCC plan and applicable regulatory requirements. The lack of weekly SPCC inspections also demonstrates that Baldy Mesa & Silver Peak are not following all requirements within their implanted SPCC. Baldy Mesa & Silver Peak must ensure that weekly SPCC inspections are conducted in accordance with the SPCC Plan, all applicable regulatory requirements, and that the implemented SPCC is followed. Baldy Mesa & Silver Peak must also ensure that all inspections are properly documented and retained. Baldy Mesa & Silver Peak must submit documentation of completed weekly SPCC inspections and the updated SPCC plan if any changes are made to the document.

Corrective Action Plan

*AES reviewed 40 CFR §112.7(e) and determined that weekly inspections are not explicitly required by federal regulation. AES updated the SPCC Plan (see **attachment Finding #17.1**) to remove the weekly inspection requirement and align inspection frequencies with regulatory standards.*

AES will continue to perform and document all required monthly and annual inspections for oil containing equipment, secondary containment systems, and spill prevention controls in accordance with the revised SPCC plan.

AES will ensure inspection logs are properly documented, reviewed, and retained in accordance with GO 167-C requirements. Inspection log sheets have been stored digitally on the digitally stored server.

The AES Environmental Team will periodically verify alignment between site procedures, SPCC Plan requirements, and regulatory obligations to ensure sustained compliance. Monthly PM notifications will be created in our work management system for capturing compliance verification. This will be implemented by July 15, 2026.

Finding 18: Job Safety Analysis (JSA) audit requirements are not being performed as required by the program.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states in part:

“Operation procedures and documents are clear and technically accurate, provide appropriate direction, and are used to support safe and reliable plant operation...”

GO 167-C, Appendix D, OS 17: Records of Operation states:

“The GAO or ESSO assures that data, reports, and other records reasonably necessary for ensuring proper operation and monitoring of the GA or ESS are collected by trained personnel and retained for at least five years, and longer if appropriate.”

During the documentation review, ESRB inspectors observed that the JSA program includes a requirement to periodically audit completed JSAs. However, these audits are not being performed. The absence of JSA audits limits the site’s ability to verify that JSAs are being completed accurately, consistently, and in accordance with program expectations. Baldy Mesa and Silver Peak must follow implemented procedures as they are written. The JSA currently in place at Baldy Mesa and Silver Peak states in section 7.2 “Regular reviews are performed on complete JSAs at least annually. The review is documented by entering a new review date on the JSA and uploading it to ePAS and sitedocs.”. JSA audits are intended to ensure that pre-task hazard analyses remain effective, properly identify required safety controls, and support continuous improvement of the safety program. When audit requirements defined within the

program are not followed, deficiencies in JSA completion may go unidentified and uncorrected.

Baldy Mesa and Silver Peak must ensure that JSA audits are performed in accordance with the program requirements. If the current audit requirements are no longer applicable, the JSA program must be formally revised to accurately reflect the process being followed. Documentation of completed audits or program revisions must be provided to ESRB for verification.

Corrective Action Plan

The AES Clean Energy JSA & Pre-Job Briefing Program (see attached Finding #18.1) outlines clear requirements for auditing and ongoing program review, including annual review expectations and documentation requirements. JSA can be audited and documented during monthly safety walks in the Sitedocs by leadership team or peers.

AES established internal audit requirements and implemented formal evaluation and review of JSA program updates where needed to ensure alignment with operational practices and regulatory expectations. This requirement is addressed through the implementation of a Single Point Accountability (SPA) tracking schedule.

The JSA program is being reviewed, and the program will be updated, as needed, by end of August 2026 for this year.

AES will provide evidence of implemented audit cycles for JSA program and provide updated documentation to the Electric Safety and Reliability Branch (ESRB) by August 2026.

Finding 19: Risk Assessment documents required by the Operations & Maintenance (O&M) ERCP were not present in onsite vehicles.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states in part:

“Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed...”

During the audit, ESRB inspectors reviewed the Baldy Mesa and Silver Peak Clean Energy O&M ERCP and noted that the plan states, “Emergency Response Plans and Emergency

Identification and Risk Assessment is also posted in the O&M Building or onsite vehicles.” However, during the site inspection, ESRB inspectors observed that the onsite vehicles did not contain the Risk Assessment documents. [REDACTED].

Emergency response documents must be maintained where the ERCP states they will be available so that personnel can readily access site-specific emergency information during field activities and emergency conditions. When the ERCP states that risk assessment documents are maintained in onsite vehicles, but the documents are not actually present, the plan does not accurately reflect current site conditions and personnel may not have immediate access to critical safety information during emergency response or field activities. Emergency response documentation must accurately reflect site practices and ensure that required safety information is readily available to personnel when needed.

Baldy Mesa & Silver Peak Solar must ensure that the ERCP accurately reflects current site practices and document locations. When the ERCP requires risk assessment documents to be maintained in onsite vehicles, the facility must ensure the documents are present and maintained in those vehicles at all times. Updated documentation or evidence of implementation must be submitted to ESRB for review and verification.

Corrective Action Plan:

*AES completed the assembly of documentation binders and distributed copies to Field Operation Technicians, where they have been placed in their trucks (see **attachment Finding #19.1**).*

AES will update the Emergency Response & Communication Plan (ERCP) to clearly define document storage locations within vehicles and align documentation practices with site configuration