



**CPUC Public Agenda 3339**  
**Thursday, July 10, 2014, 9:30 a.m.**  
**San Francisco, CA**



**Commissioners:**  
**Michael R. Peevey**  
**Michel Peter Florio**  
**Catherine J.K. Sandoval**  
**Carla J. Peterman**  
**Michael Picker**

[www.cpuc.ca.gov](http://www.cpuc.ca.gov)





# Safety and Emergency Information

- The restrooms are located at the far end of the lobby outside of the security screening area.
- In the event of an emergency, please calmly proceed out of the exits. There are four exits total. Two exits are in the rear and two exits are on either side of the public speakers area.
- In the event of an emergency and the building needs to be evacuated, if you use the back exit, please head out through the courtyard and down the front stairs across McAllister.
- If you use the side exits you will end up on Golden Gate Ave. Please proceed around the front of the building to Van Ness Ave and continue on down to the assembly point.
- Our assembly point is between the War Memorial Building and the Opera Building (House) which is on Van Ness Ave, located between McAllister and Grove.





# Public Comment

- Per Resolution ALJ-252, any member of the public who wishes to address the CPUC about matters before the Commission must sign up with the Public Advisor's Office table before the meeting begins. If an individual has signed up using the electronic system on the Commission's website, they must check in with the Public Advisor's Office on the day of the meeting, by the sign-up deadline.
- Once called, each speaker has up to 3 minutes at the discretion of the Commission President, depending on the number of speakers the time limit may be reduced to 1 minute.
- A sign will be posted when 1 minute remains.
- A bell will ring when time has expired.
- At the end of the Public Comment Section, the Commission President will ask if there are any additional individuals who wish to speak. Individuals who wish to speak but did not sign up by the deadline, will be granted a maximum of one minute to make their comments.

## **The following items are NOT subject to Public Comment:**

- Items: 15, 16, 19, and 26.
- All items on the Closed Session Agenda





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- Once called, each speaker has up to 2 minutes to address the Commission.
- A sign will be posted when 1 minute remains.
- A bell will ring when time has expired.
- At the end of the Public Comment Section, the Commission President will ask if there are any additional individuals who wish to speak. Individuals who wish to speak but did not sign up by the deadline, will be granted a maximum of one minute to make their comments.

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# Agenda Changes

- Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.
- Items on Today's Consent Agenda are: **1, 6, 7, 8, 9, 12, 13, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33, and 34.**
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- Item: **None** from the Regular Agenda have been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- Item: **None** has been moved to the Regular Agenda.
- Items: **4, 5, and 41** have been withdrawn.
- The following items have been held to future Commission Meetings:
  - Held to 8/14/14: **2, 10, 11, 14, 18, 28, 37, 38, 40, 42, 43, and 44.**
  - Held to 8/28/14: **3, and 39.**





# Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: [www.cpuc.ca.gov](http://www.cpuc.ca.gov).
- Late changes to agenda items are available on the Escutia Table.





## Regular Agenda – Energy Orders

### Item # 35 [12889] – Addresses Compensation Request of California Environmental Justice Alliance

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**A11-05-023** - Application of San Diego Gas & Electric Company for Authority to Enter into Purchase Power Tolling Agreements with Escondido Energy Center, Pio Pico Energy Center and Quail Brush Power.

**Ratesetting**

**Comr. Peevey / Judge Yacknin**

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#### **PROPOSED OUTCOME:**

- Denies award to California Environmental Justice Alliance for failure to make a substantial contribution to Decision 13-03-029.

#### **SAFETY CONSIDERATIONS:**

- None were raised by this proceeding.

#### **ESTIMATED COST:**

- None.







## Regular Agenda – Energy Orders

### Item # 35a [13043] – ALTERNATE TO ITEM 12889

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**A11-05-023** - Application of San Diego Gas & Electric Company for Authority to Enter into Purchase Power Tolling Agreements with Escondido Energy Center, Pio Pico Energy Center and Quail Brush Power.

**Ratesetting**

**Comr. Peevey**

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#### **PROPOSED OUTCOME:**

- Awards California Environmental Justice Alliance \$96,136.58 for its substantial contribution to Decision 13-03-029.

#### **SAFETY CONSIDERATIONS:**

- Substantial contribution by intervenors, as found here, enhances the Commission’s ability to resolve safety and other issues under Pub. Util. Code Section 451 to take all actions “... necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

#### **ESTIMATED COST:**

- \$96,136.58, plus interest, to be paid by San Diego Gas & Electric Company.





## Regular Agenda – Transportation/Rail Safety Orders

### Item # 40 [13072] – Modification of Decision 13-09-045 Adopting Rules and Regulations to Protect Public Safety While Allowing New Entrants to the Transportation Industry

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**R12-12-011** - Order Instituting Rulemaking on Regulations Relating to Passenger Carriers, Ridesharing, and New Online-Enabled Transportation Services.

**Quasi-Legislative**

**Comr. Peevey/ Judge Mason**

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#### **PROPOSED OUTCOME:**

- Define providing Transportation Network Company (TNC) services, expands and clarifies the insurance requirements for TNCs, modifies certain holdings to explain the holdings and rationale, and makes this quasi-legislative proceeding subject to the ex parte reporting rules.

#### **SAFETY CONSIDERATIONS:**

- This decision clarifies and expands the safety protections for TNC drivers, subscribing TNC passengers, other drivers, and pedestrians.

#### **ESTIMATED COST:**

- None.





# Commissioners' Reports





# Commissioners' Reports

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## Item # 45 [13121] Commissioner Michael Picker Report

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Consideration and adoption of a proposed agency-wide Safety Policy. Among other things, this policy would define the role of the Commissioners and provide a unifying vision and guidance for the organization's multiple functions. This item is before the Commission for consideration and approval.





## Safety Policy Statement of the California Public Utilities Commission

### Purpose of this Policy

This is the Safety Policy adopted by the five Commissioners of the California Public Utilities Commission (CPUC). It defines the role of the Commissioners, binds together the agency in constantly strengthening our safety efforts, and provides a unifying vision and guidance for the organization's multiple and disparate functions.

As described below, as a first step in applying this policy, we also will direct our staff to provide to the CPUC a more detailed Safety Plan within 180 days, laying out specific elements and staff actions on how the entire organization - including the five Commissioners and their staff, our legal and judicial staff, our policy and program staff, as well as our administrative staff - will respond to this policy in all their work.

### CPUC Overarching Safety Mission

The safety mission and goal of the CPUC is to assure to the State of California that all of us will work every day to assure that the regulated utilities we depend on for critical services are as safe and resilient as they can possibly be.<sup>1</sup> The CPUC not only will assure compliance with safety laws and regulations, but also challenge itself and the utilities to excellence.

**Ultimately we are striving to achieve a goal of zero accidents and injuries across all the utilities and businesses we regulate, and within our own workplace.<sup>2</sup>**

We have a broad obligation in this mission, and we must assure that safety will always be an important component in all that we do and everywhere we have authority and responsibility. Our efforts must improve protection for the public, for utility workers and CPUC employees in their work, for the environment, and for utility infrastructure and systems.

To realize this Vision, the CPUC commits to these guiding principles:

- Continually assess and reduce the safety risk posed by the companies we regulate
- Hold companies (and their extended contractors) accountable for safety of their facilities and practices
- Be accountable for the oversight of safety in the industries we regulate
- Provide clear guidance on expectations for safety management and outcomes
- Provide transparent and effective procedures for enforcement of those expectations
- Promote reliable access to utility services that support health and safety
- Promote a culture of safety vigilance by CPUC staff, and in the industries we regulate
- Learn from experience and continuously improve safety oversight and outcomes

<sup>1</sup> The CPUC's overall mission is to protect consumers and ensure the provision of safe, reliable utility service and infrastructure at reasonable rates, with a commitment to environmental enhancement and a healthy economy.

<sup>2</sup> The concept of zero accidents and injuries is based on the Vision Zero Initiative established in Sweden in the 1990s. It began as an approach to roadway safety, and can be summarized as a single sentence: "No loss of life is acceptable." Since 1997, England and the Netherlands have adopted this policy goal, and in 2014, the cities of New York, Boston, and San Francisco also adopted it as their road safety policy expectation. Similarly, the USDOT Pipeline and Hazardous Material Safety Administration states, "our vision is that no harm results from hazardous materials transportation."



Leadership on this mission begins at the highest levels of our organization. In this respect, Commissioners commit to do the following:

- Certify through signature on Scoping Memos that our proceedings cover key safety and resiliency questions that will be answered during the course of the proceeding.
- Certify through signature on Proposed Decisions that the findings, conclusions, and actions laid out in proceedings can meet the CPUC's overarching goals and expectations.
- Assure that each vote on proceedings, resolutions, ratemaking, or other decisions of the CPUC addresses the CPUC's overarching goals and expectations regarding safety and resiliency.
- Regularly monitor in public meetings progress made by CPUC staff and regulated utilities and businesses in performing key safety activities and their outcomes, as defined in a comprehensive safety management plan.
- Continue to ensure that the CPUC creates confidential programs that protect from reprisals whistleblowers in government and in regulated utilities who raise safety issues, and provide for timely follow up to verify the accuracy of their information.

### Staff Directives

CPUC staff has key responsibilities to carry out the above policy. These include assuring effective compliance with safety requirements, proactively managing safety risks, and promoting excellent safety cultures within regulated utilities and businesses. As a first step, the Executive Director and Division Directors together will:

- Within 180 days, design an ongoing safety management system, and prepare a work plan with priorities and clear and measurable goals and objectives to demonstrate CPUC staff effectiveness toward our core goal.
- Develop a monitoring, reporting, and records tracking system that demonstrates the effectiveness of utility and regulated businesses' progress on actions taken to achieve a zero accidents goal.
- Develop a monitoring system within our own workplace to track staff activities on achieving a zero accidents goal.
- Provide CPUC staff with adequate tools and training to carry out their jobs of assuring that utilities meet our safety goals.
- Coordinate with other state and federal agencies to: address gaps in public safety authority within the CPUC's oversight; identify and detect risks; and, gain more effective compliance through improved coordination for enforcement of regulated utilities.
- Regularly demonstrate progress on these tasks in the CPUC's public meetings.

The utilities that adhere to our rules and regulations must ultimately implement this vision, and we expect that these entities will create a culture within their organizations that puts safety first in their actions. To this end, the CPUC will schedule annual en banc hearings where the Chief Executive Officer of each of the major utilities we regulate will present to the CPUC the current status of their respective safety programs.

This policy statement is a living document, subject to change over time. The CPUC will utilize it on an ongoing basis to offer guidance, direction, and focus on our safety oversight responsibilities. |





# Commissioners' Reports

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# Commissioners' Reports





# Management Reports







# Regular Agenda – Management Reports and Resolutions

**Item # 46 [13051]**

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**Report and Discussion by Safety and Enforcement Division on Recent Safety Program Activities**

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# **Governor's Office Interagency Rail Safety Working Group Report**

## *Oil-by-Rail Safety in California: Preliminary Findings and Recommendations*

### **Safety and Enforcement Division Participation**



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**Paul King, PhD**  
***Deputy Director, Office of Rail Safety, Safety & Enforcement Division***

**July 10, 2014**





# Overview

- Background:
  - Lac-Mégantic one year later.
  - Federal action highlights.
- California: Governor's Office Interagency Rail Safety Working Group June 10, 2014, Report.
- CPUC Tasks from the Working Group





## Lac-Mégantic, Quebec, 2013, 2014



July 2013



July 2014





# Federal Action Highlights

## Federal Railroad Administration (FRA):

- FRA Emergency Order 28.
- Rail Safety Advisory Committee Meetings
- Notice of Proposed Rule Making (NPRM) at OMB
- Voluntary Agreements.
- USDOT Emergency Order DOT-OST-2014-0067

## Pipeline and Hazardous Materials Safety Administration:

- Advanced Notice of Proposed Rule Making (ANPRM) – New Tank Car Standards
- NPRM – Will Follow ANPRM for New Tank Car Standards





# Governor's Office Interagency Rail Safety Working Group

California Public Utilities Commission (CPUC)

Office of Spill Prevention and Response (OSPR)

California Office of Emergency Services (OES)

California Environmental Protection Agency (CalEPA)

Department of Toxic Substances Control (DTSC)

California Energy Commission (CEC)

California Natural Resources Agency (CNRA)

California Office of the State Fire Marshal (OSFM)

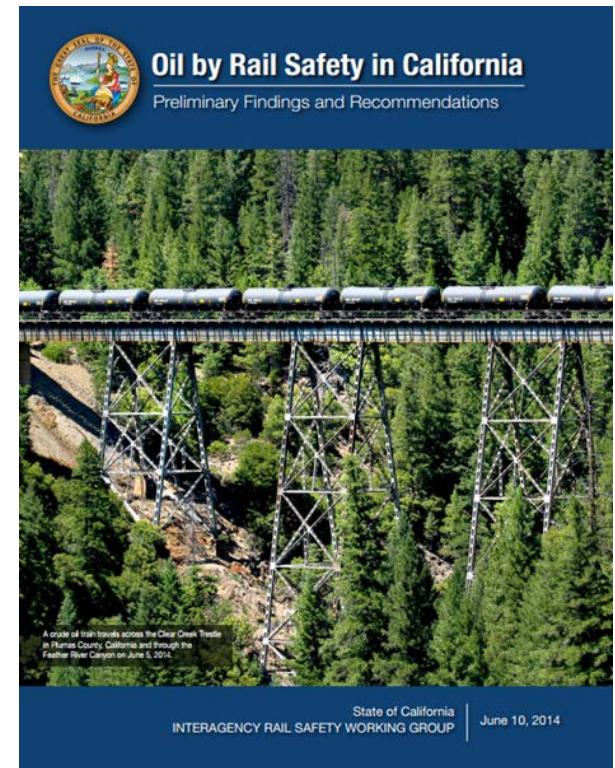
Department of Oil, Gas and Geothermal Resources (DOGGR)





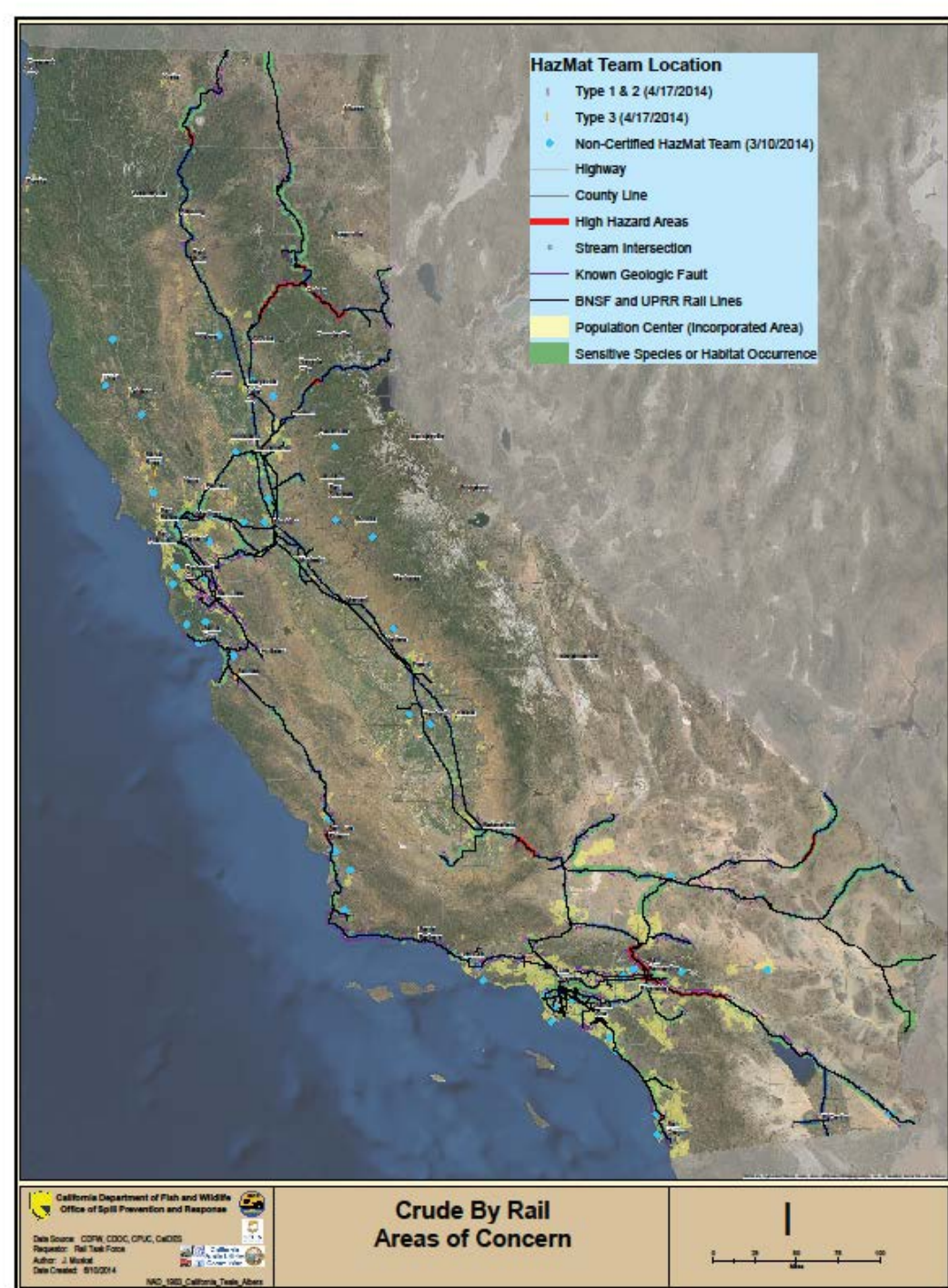
# Summary of Recommendations

- **Legislature:** New CPUC inspectors, Oil Spill Prevention and Response Program to Cover Inland Oil, Additional Funding for Emergency Responders.
- **All agencies:** Post Interactive Map on Public Website with Rail Lines and Potential Vulnerabilities.
- **CPUC:** Request that Railroads Comply with Federal Voluntary Agreement; Request that DOT Quickly Finalize New Tank Car Standards; Clarify Incident Reporting; and Perform Additional Inspections.
- **OSPR:** Establish Inland Spill Response Program.
- **OES:** Review Response Plans, Request that Railroads Provide “Worst Case Scenario” Plans and Request that DOT Require External Visual Identification for Bakken and Similar Crude Oil.





## Interactive Map of Rail Routes, Risk Factors, and Response Capabilities







## CPUC Tasks

- Request that DOT Move Expeditiously to Finalize New and Retrofitted Tank Car Regulations.
- Request that the FRA Identify Routes that Crude Oil Trains are Expected to Run on without PTC in California Under Current Requirements and Consider Requiring the Implementation of PTC on These Routes.
- Request that the FRA Consider Requiring Electronically-Controlled Pneumatic Brake Technology on Crude Oil Trains.
- Clarify Incident Reporting Requirements for the Release of Hazardous Substances by Rail.





## CPUC Tasks (cont.)

- Request that FRA provide California with Normalized Data to Enable Accident and Injury Analysis.
- Monitor and Publicly Report the Extent of Railroad Compliance with Inspection Requirements on Crude Oil.
- Conduct at Least One Additional Inspection of the Crude Oil Routes Each Year, Consistent with Existing Inspection Requirements.
- Request Information on, and Monitor, the Extent to which the Railroads Have Complied with the Braking Systems Request (as Outlined in the Voluntary Agreement).





## CPUC Tasks (cont.)

- Ask the FRA to Provide the Results of the Route Analyses Outlined in the Voluntary Agreement.
- Complete a Survey of Speed Limits on California Railroads and Determine Whether There Are Additional Areas Where Lower Speed Limits Might Be Appropriate and if Warranted, Petition the Fra to Consider Additional Restrictions.
- Develop a Proposal for Monitoring and Enforcing the New Speed Limits Outlined in the Voluntary Agreement.
- Inventory Wayside Train Inspection Technology on Crude Oil Shipment Routes.





## Crude Oil Unit Train in Northern California, June 2014\*



\*Train photographs reproduced by permission from Jake Miille





# Regular Agenda – Management Reports and Resolutions

**Item # 46 [13051]**

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**Report and Discussion by Safety and Enforcement Division on Recent Safety Program Activities**

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# Management Reports





# Regular Agenda – Management Reports and Resolutions

**Item # 47 [13052]**

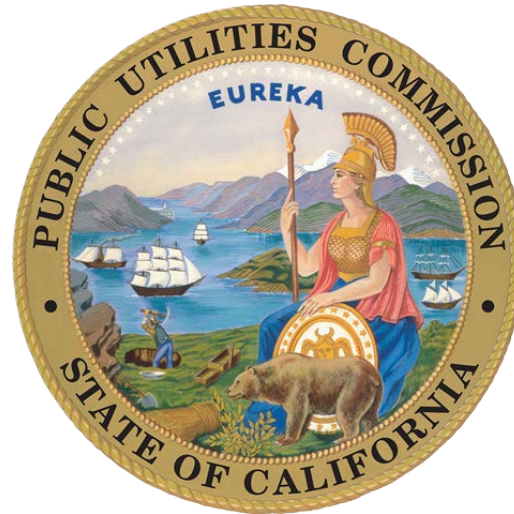
**Management Report on Administrative Activities**

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# IT Project Portfolio Management



**Michelle Cooke**  
*Deputy Executive Director*

**California Public Utilities Commission**

July 10, 2014







# IT Project Portfolio Management

## What Is It?

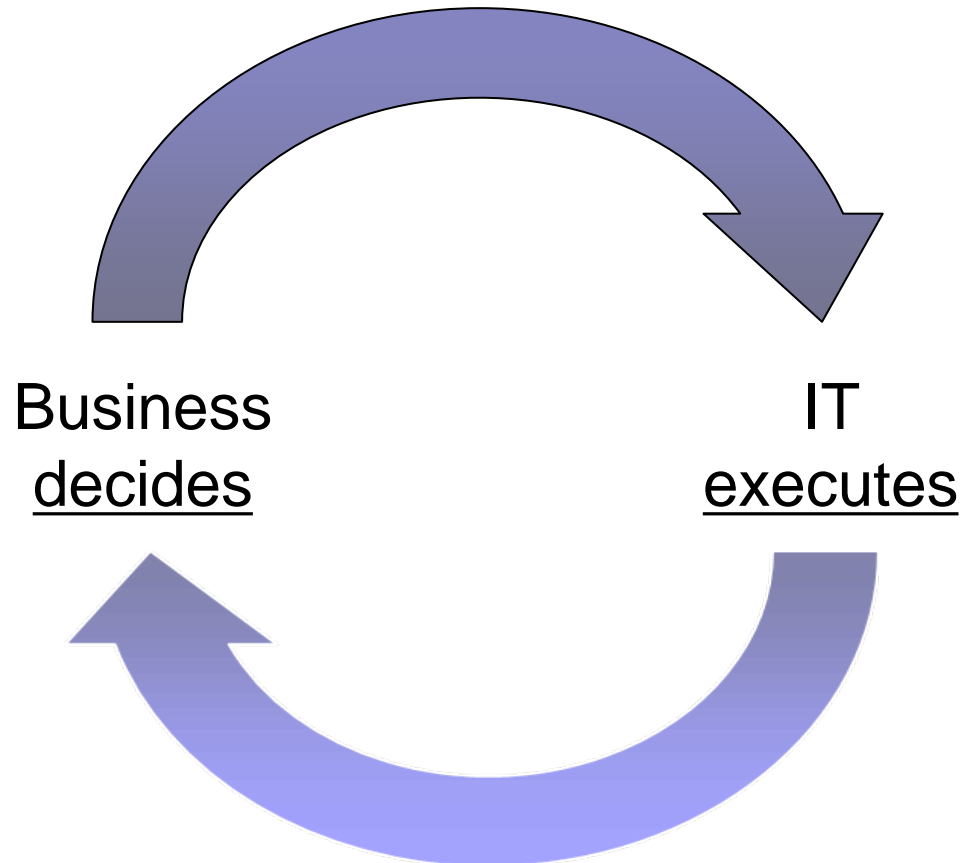
A Rational, Practical, Transparent Process to:

- Set Commission-Wide Priorities for Information Technology Projects
- Manage to those Priorities



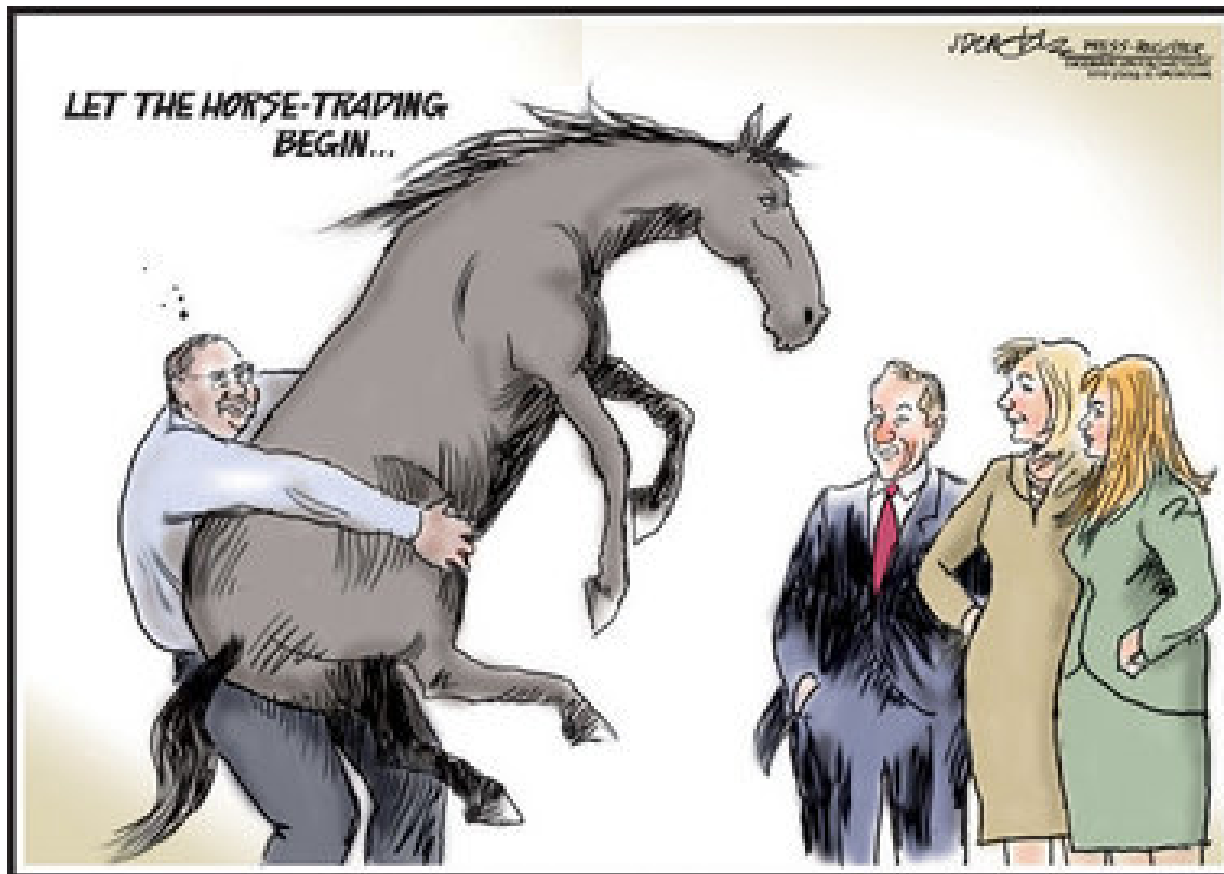


# IT Project Portfolio Management Responsibilities





# IT Project Portfolio Management What Did We Do Before?





# IT Project Portfolio Management Setting Priorities

- PPM Committee Scores by Consensus, Using a Standard Rubric
- PPM Committee Evaluates Project Request According to:
  - Agency Mission
  - Audience Impact
  - Benefit-Cost Analysis
  - Shovel-Readiness
  - Risk of Not Doing
  - Mandate





# IT Project Portfolio Management Projects Completed

- RSSIMS (Rail Safety and Security)
- BRM (Business Rule Manager)
- Insurance E-Filing
- TTA (Travel and Training Authorization)





# IT Project Portfolio Management

## Current Portfolio

	Effort	Division	E-Filing
Active	HRIS Replacement (Employee Timesheet System)	Multiple	
	E-Filing Non-Confidential Supporting Documents	ALJ	*
	E-Filing Upgrade	ALJ	*
	COPS	Multiple	*
	Help Desk Ticketing System	Admin Services	
	IT Support for Office Move	All CPUC	
Pending	Transportation Carrier Application E-Filing	SED	*
	RSSIMS Updates	SED	
	TUFFS Enhancements	CD	*
	Redesign CPUC Public Website	Executive	
	Advice Letters	Multiple	*
	Agenda Server replacement	ALJ	
	Program Claims Management System	CD	*
	Utility Safety and Reliability DB Consolidation	SED	*





# Regular Agenda – Management Reports and Resolutions

**Item # 47 [13052]**

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**Management Report on Administrative Activities**

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# Management Reports







# **The CPUC Thanks You For Attending Today's Meeting**

**The Public Meeting is adjourned.**

**The next Public Meeting will be:**

**August 14, 2014, at 9:30 a.m.  
in San Francisco, CA**

