



# **CPUC Public Agenda 3360**

## **Thursday, July 23, 2015 9:30 a.m.**

### **San Francisco, CA**



**Commissioners:**  
**Michael Picker, President**  
**Michel Peter Florio**  
**Catherine J.K. Sandoval**  
**Carla J. Peterman**  
**Liane M. Randolph**

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





# The Pledge of Allegiance



“I pledge allegiance to the Flag of the  
United States of America,  
and to the Republic for which it stands,  
one nation under God,  
indivisible,  
with liberty and justice for all.”





# Safety and Emergency Information

- In the event of an emergency, please calmly proceed out the exits.
- We have four exits: Two in the rear and one on either side of the speakers.
- In the event that we do need to evacuate the building:
- **(For the Rear Exits)** - Head out through the courtyard, and down the front steps. Continue west on McAllister Street. Turn north onto Franklin Street. Turn west onto Turk Street and proceed to Gough Street.
- **(For the Side Exits)** - Go out of the exits and you will be on Golden Gate Avenue. Proceed west to Franklin Street. Turn north onto Franklin Street. Turn west onto Turk Street and proceed to Gough Street.
- Our assembly point is Jefferson Square Park on Turk and Gough Streets.





# Public Comment

- Per Resolution ALJ-252, any member of the public (excluding parties and their representatives) 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:**

- 6, 23, 62, 66
- All items on the Closed Session Agenda





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- Once called, each speaker has up to 2 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.

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# Public 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, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 20, 21, 23, 24, 26, 27, 28, 29, 30, 31, 32, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, and 55.
- 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.
- Items 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.
- No items have been moved to the Regular Agenda.
- Item has been withdrawn.
- The following items have been held to future Commission Meetings:
  - Held to 8/13/15: 2, 16, 19, 22, 25, 33, 34, 36, 58, 58a, 68, 69 70
  - Held to 8/27/15: 18





# 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 final 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 Resolutions and Written Reports

**Item # 56 [14077] – Approval with Modifications to the Joint Utility Proposal for a Demand Response Auction Mechanism Pilot Pursuant to Ordering Paragraph 5 of Decision 14-12-024**

**Res E-4728, SCE’s Advice Letter (AL) No. 3208-E, PG&E’s AL No. 4618-E, and SDG&E’s AL No. 2729-E, filed on April 20, 2015 - Related matters.**

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### **PROPOSED OUTCOME:**

- Approves, with modifications, the proposal of Southern California Edison Company, San Diego Gas & Electric Company, and Pacific Gas and Electric Company, to create an auction mechanism for demand response capacity, called the Demand Response Auction Mechanism.
- Adopts with modifications, the auction design, protocols, standard pro forma contract, evaluation criteria and non-binding cost estimates.

### **SAFETY CONSIDERATIONS:**

- The Resolution approves a pro forma power purchase agreement that contains provisions requiring compliance of sellers and their agents with all applicable laws, including laws related to permitting and safe operations. No additional incremental safety measures are or need be associated with the Resolution.

### **ESTIMATED COST:**

- As required in Ordering Paragraph 5c of Decision (D.) 14-12-024, the Advice Letters contain a non-binding cost estimate of \$9 million dollars across the three Investor Owned Utilities (IOU).
- Ordering Paragraph 5d of the same decision gave the IOUs the authority to shift up to 50% of funds from any demand response program without authorization, if and as needed to fund the pilot.





## Regular Agenda – Energy Resolutions and Written Reports

### Item # 56a [14082] – COMMISSIONER SANDOVAL'S ALTERNATE TO ITEM 14077

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#### **PROPOSED OUTCOME:**

- This Resolution approves, with modifications, the proposal of Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Pacific Gas and Electric Company (PG&E) to create an auction mechanism for demand response capacity, called the Demand Response Auction Mechanism (DRAM).
- Specifically, this Resolution adopts with modifications, the auction design, protocols, standard pro forma contract, evaluation criteria and non-binding cost estimates.
- This Alternate Resolution requires SDG&E, SCE, and PG&E to exclude fossil-fueled back-up generation from DRAM bids.

#### **SAFETY CONSIDERATIONS:**

- This Resolution approves a pro forma power purchase agreement that contains provisions requiring compliance of sellers and their agents with all applicable laws, including laws related to permitting and safe operations. No additional incremental safety measures are or need be associated with this Resolution.

#### **ESTIMATED COST:**

- No additional costs are requested for the pilot. As required in Ordering Paragraph 5c of Decision 14-12-024, the Advice Letters contain a non-binding cost estimate of \$9 million dollars across the three Investor Owned Utilities (IOUs).
- Ordering Paragraph 5d of the same decision gave the IOUs the authority to shift funds from existing demand response budgets to fund the pilot.





## Regular Agenda – Communications Orders

### **Item # 59 [14075] – Indirect Transfer of Control of Competitive Local Exchange Carriers from Time Warner Cable, Inc. and Bright House Networks Information Services, LLC to Comcast Corporation**

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**A14-04-013 and A14-06-012 – And Related Matters** – Joint Application of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC, and Bright House Networks Information Services (California), LLC for Expedited Approval of the Transfer of Control of Time Warner Cable Information Services (California), LLC; and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC, to Comcast Corporation Pursuant to California Public Utilities Code Section 854(a).

**Ratesetting**

**Comr. Peterman / Judge Bemederfer**

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#### **PROPOSED OUTCOME:**

- Grants Applicant's Motion to Withdraw applications.
- Closes the proceedings.

#### **SAFETY CONSIDERATIONS:**

- None – withdrawal of applications is equivalent to no action.

#### **ESTIMATED COST:**

- None as a result of this decision.





## Regular Agenda – Communications Orders

### **Item # 57 [13731] – Indirect Transfer of Control of Competitive Local Exchange Carriers from Time Warner Cable, Inc. and Bright House Networks Information Services, LLC to Comcast Corporation**

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**A14-04-013 and A14-06-012 – And Related Matters** – Joint Application of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC, and Bright House Networks Information Services (California), LLC for Expedited Approval of the Transfer of Control of Time Warner Cable Information Services (California), LLC; and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC, to Comcast Corporation Pursuant to California Public Utilities Code Section 854(a).

**Ratesetting**

**Comr. Peterman / Judge Bemederfer**

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#### **PROPOSED OUTCOME:**

- Approves transfer subject to conditions.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS:**

- Requires Comcast Corporation to provide enhanced service and information to Voice Over Internet Protocol Users related to safe operation during power outages and 911 calls.

#### **ESTIMATED COST:**

- The cost of compliance with merger conditions is unknown at this time.





## Regular Agenda – Communications Orders

### Item # 57a [13892] – COMMISSIONER FLORIO’S ALTERNATE TO ITEM 13731

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**A14-04-013 and A14-06-012 – And Related Matters** – Joint Application of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC, and Bright House Networks Information Services (California), LLC for Expedited Approval of the Transfer of Control of Time Warner Cable Information Services (California), LLC; and the Pro Forma Transfer of Control of Bright House Networks Information Services (California), LLC, to Comcast Corporation Pursuant to California Public Utilities Code Section 854(a).

**Ratesetting**

**Comr. Florio**

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#### **PROPOSED OUTCOME:**

- Denies the applications of Comcast Corporation, Time Warner Cable Inc., Time Warner Cable Information Services (California), LLC and Bright House Networks Information Services (California), LLC for approval of various transfers of control of businesses in the state of California.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS:**

- Maintains the current ownership structure of the involved corporations, so does not have implications for safety.

#### **ESTIMATED COST:**

- No costs to California ratepayers.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 60 [14114] – Order Extending Statutory Deadline

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**R11-03-012** – Application of Pacific Gas and Electric Company for Compliance Review of Utility Owned Generation Operations, Electric Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Retained Generation Fuel Procurement, and Other Activities for the Period January 1 through December 31, 2012.

**Ratesetting**

**Comr. Florio / Judge Roscow**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of this proceeding until October 2, 2015.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 61 [14115] – Order Extending Statutory Deadline

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**A10-02-028, A10-08-005** – Application of Pacific Gas and Electric Company for Approval of its 2010 Rate Design Window Proposal for 2-Part Peak Time Rebate and Recovery of Incremental Expenditures Required for Implementation.

**Ratesetting**

**Comr. Randolph / Judge Roscow**

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#### **PROPOSED OUTCOME:**

- Extends the Statutory Deadline of this proceedings to September 27, 2015.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 62 [14123] – Order Extending Statutory Deadline

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**I11-05-028** – Order Instituting Investigation on the Commission’s Own Motion into the Operations, Practices, and Conduct of OSP Communications LLC and John Vogel, an individual, to determine whether OSP Communications LLC and John Vogel have violated the Laws, Rules and Regulations of this State in the Provision of Operator and Calling Card Services to California Consumers; and Whether The Billing Resource LLC, a Delaware Corporation, and The Billing Resource LLC d/b/a Integretel, a California Corporation should Refund and Disgorge All monies billed and collected on behalf of OSP Communications LLC.

**Adjudicatory**

**Comr. Sandoval / Judge Bemmesderfer**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of this proceeding until January 31, 2016.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 63 [14124] – Order Extending Statutory Deadline

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**I12-10-013, A13-01-016, A13-03-005, A13-03-013, and A13-03-014 – Related matters –**  
Order Instituting Investigation on the Commission’s Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

**Ratesetting**

**Comr. Sandoval / Darling**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of these proceedings until September 27, 2015.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 64 [14127] – Order Extending Statutory Deadline

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**A13-09-023, C12-03-017 – Related matters** – In the Matter of Application of Odd Fellows Sierra Recreation Association, a California corporation, and Sierra Park Water Company, Inc., a California corporation, for Certificate of Public Convenience and Necessity to Operate a Public Utility Water System near Long Barn, Tuolumne County, California and to Establish Rates for Service and For Sierra Park Water Company, Inc. to Issue Stock.

**Ratesetting**

**Comr. Sandoval / Judge Long**

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#### **PROPOSED OUTCOME:**

- Extends the Statutory Deadline of these proceedings to October 19, 2015.

#### **SAFETY CONSIDERATIONS:**

- There are no safety implications associated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 65 [14128] – Order Extending Statutory Deadline

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**R11-03-012** – Order Instituting Rulemaking to Address Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions.

**Ratesetting**

**Comr. Peterman / Judge Halligan, Judge Semcer**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of these proceedings until September 24, 2015.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 66 [14131] – Order Extending Statutory Deadline

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**I14-08-015** – Order Instituting Investigation on the Commission’s Own Motion into the Operations, Practices, and Conduct of New Day Broadband One, LLC to Determine Whether New Day Broadband One, LLC, Violated the Laws, Rules, and Regulations of this State in Operating in California without the Required Franchise.

**Adjudicatory**

**Comr. Florio / Judge Burcham**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for completion of this proceeding until February 14, 2016.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

#### **ESTIMATED COST:**

- There are no costs associated.





## Regular Agenda – Other Utility Orders

### Item # 67 [13948] – New Order Instituting Expedited Rulemaking

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R\_\_\_\_\_ – Order Instituting Expedited Rulemaking to Consider Repeal of General Order 105-A, General Order 106, and General Order 144-A.

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#### **PROPOSED OUTCOME:**

- Institutes a Rulemaking to consider repeal of three General Orders (GO) 105-A, GO-106 and GO-144-A, regarding air transportation and railroad industry rules and tariffs.

#### **SAFETY CONSIDERATIONS:**

- There does not appear to be any direct safety consequences from repeal of these General Orders.

#### **ESTIMATED COST:**

- None at this time.





## Regular Agenda – Other Utility Orders

### Item # 67a [14140] – COMMISSIONER FLORIO’S ALTERNATE TO ITEM 13948

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R\_\_\_\_\_ – Order Instituting Expedited Rulemaking to Consider Repeal of General Order 105-A, General Order 106, and General Order 144-A.

**Comr. Florio**

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#### **PROPOSED OUTCOME:**

- Institutes a Rulemaking to consider repeal of three General Orders (GO) 105-A, GO-106 and GO-144-A, regarding air transportation and railroad industry rules and tariffs.
- Allows parties to file Notices of Intent to claim intervenor compensation related to time spent in informal consultations with staff.

#### **SAFETY CONSIDERATIONS:**

- There does not appear to be any direct safety consequences from repeal of these GOs.

#### **ESTIMATED COST:**

- None at this time.





# Commissioners' Reports





# Regular Agenda – Commissioner Reports

## Item #71 [14141]

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**President Picker's Presentation Seeking  
Endorsement of Proposed Initial Scope of  
Work for California Public Utilities Commission  
Strategic Planning Process**

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# Strategic Plan

California Public Utilities Commission  
San Francisco, CA  
July 23, 2015





## Why a Strategic Plan?

- **Objective** - The Strategic Plan represents an opportunity to assess the current status of the Commission, develop priorities for the Commission going forward and create an action plan to align the Commission's responsibilities and goals with its capabilities.
- **Timeline** – Develop an agency-wide strategic plan process over the next twelve months. This effort will be the first comprehensive planning initiative undertaken by the CPUC in over 20 years.





# Our Consultants

## Leading Resources Inc. – Eric Douglas & Karin Bloomer

- Mission: To facilitate the development of high-performing organizations
  
- Clients: Public agencies, non-profits, corporations
  - Department of Health Care Services
  - CalTrans
  - CalPERS
  - Department of Managed Health Care
  - California State Auditor
  - CPUC: Office of Ratepayer Advocates, Energy Division
  - SMUD





## Initial Scope of Work

**Governance** - Develop specific clarity about the role of commissioners, staff roles, and delegations to staff. Codify all of the above in an integrated set of governance policies.

**Scenario planning.** For each sector that CPUC regulates assess current and needed staff capacities. Develop a set of strategies that effectively positions CPUC within the context of agreed-upon scenarios.

**Results-oriented goals and performance metrics.** Based on the results of scenario planning, develop high-level, results-oriented goals and related performance metrics, both for the sectors that CPUC regulates as well as internally for the organization.





**Thank you!**  
**For Additional Information:**  
**[www.cpuc.ca.gov](http://www.cpuc.ca.gov)**

**Send Comments/Question to**  
**[StrategicPlan@cpuc.ca.gov](mailto:StrategicPlan@cpuc.ca.gov)**





# Commissioners' Reports





# Commissioner Sandoval's Report on Frontier/Verizon PPHs in Northern California



**Commissioner Catherine Sandoval**  
**California Public Utilities Commission**

July 23, 2015





## At The Yurok Reservation



Microwave back haul in Orleans, California

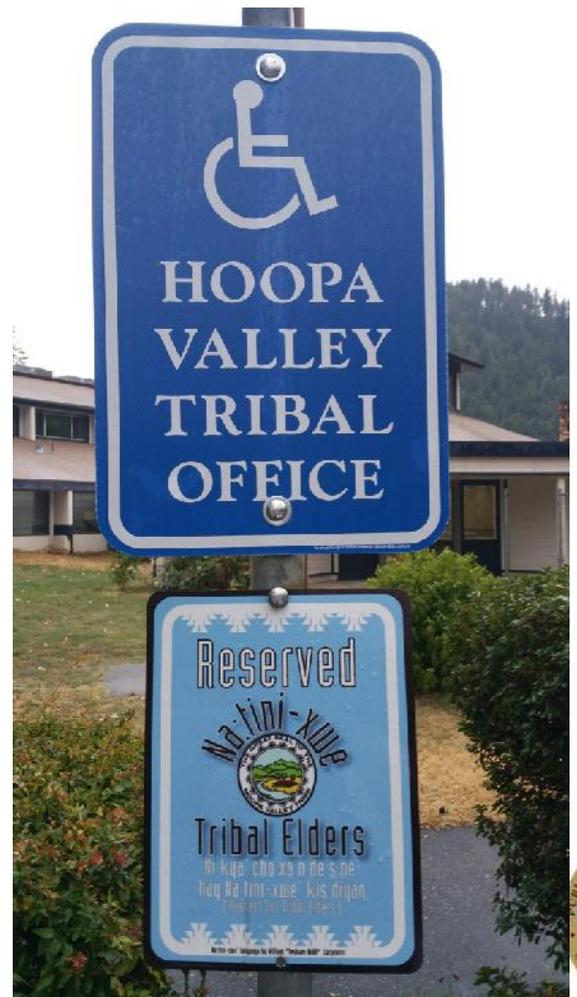


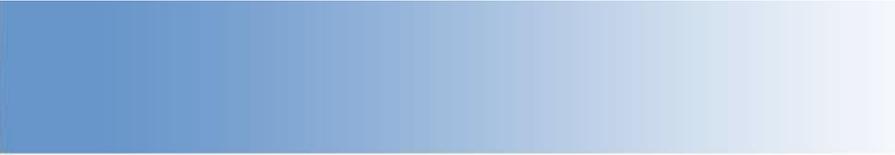


Central Office and  
Microwave Backhaul in  
Orleans, California



On the Hoopa Valley Tribe Reservation





On the Yurok Reservation with Yurok IT Director and CASF  
Klamath River Broadband Project team: Paul Romero, Forest  
James, Jeremy James





Reviewing Telecom Facilities  
in Orleans with Karuk Tribe  
IT Director Eric Cutright and  
CASF Klamath River  
Broadband Project team  
Forest James and  
Penny Eckert.





# Commissioners' Reports





# Management Reports





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

**The Public Meeting is adjourned.  
The next Public Meeting will be:**

**August 13, 2015 at 9:30 a.m.  
in San Francisco, CA**

