



CPUC Public Agenda 3388
Thursday, November 10, 2016 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





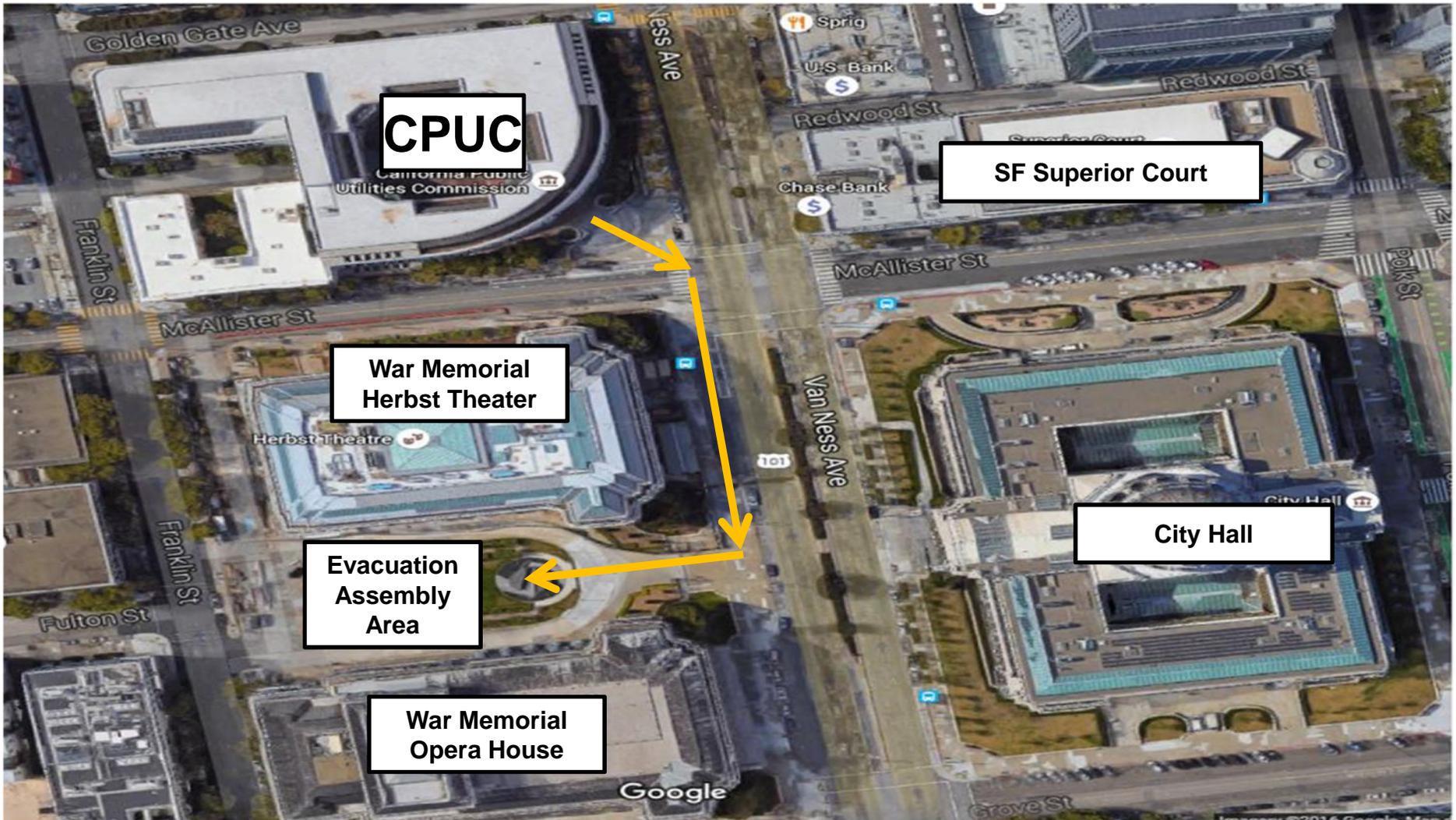
The Pledge of Allegiance



“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.”



Evacuation Assembly Location





CPUC Mission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services.





CPUC Core Values

Accountability
Excellence
Integrity
Open Communication
Stewardship





Commissioner Code of Conduct

- **I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.**
- **II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.**
- **III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.**
- **IV. Commissioners are public officials who should uphold the integrity of their office at all times.**





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.

Public Comment is not permitted on the following items:

- **35, 36.**
- All items on the Closed Session Agenda





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 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.

Public Comment is not permitted on the following items:

- **35, 36.**
- All items on the Closed Session Agenda





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 1 minute to address the Commission.
- 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.

Public Comment is not permitted on the following items:

- 35, 36.
- All items on the Closed Session Agenda





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, 8, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 30, 31.
- 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.
- **No Item** from the Regular Agenda has 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 Item** has been moved to the Regular Agenda.
- **No Item** has been withdrawn.
- The following items have been held to future Commission Meetings:
 - Held to **12/01/16**: 7, 9, 17, 25, 34.
 - Held to **12/15/16**: 2, 2a.





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.
- Late changes to agenda items are available on the Escutia Table.





Regular Agenda – Energy Orders

Item # 32 [14986] – Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company Pilot Approval for Matinee Pricing

R13-12-011

Order Instituting Rulemaking into Policies to Promote a Partnership Framework between Energy Investor Owned Utilities and the Water Sector to Promote Water-Energy Nexus Programs.

Quasi-Legislative

Comr Sandoval - Judge McKinney

PROPOSED OUTCOME :

- Approves pilots by Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E) to test a concept of matinee rates as a means to reduce both energy and water use at high impact times.
- Defers consideration of Pacific Gas and Electric Company (PG&E) matinee rate to its General Rate Case Phase II proceed, Application 16-06-013.
- Establishes cost recovery method for pilot costs and the evaluation requirements.

SAFETY CONSIDERATIONS :

- The pilots will use existing infrastructure, therefore no safety impact is presented with the result of this decision.

ESTIMATED COST :

- \$2.15 million to be paid by ratepayers of PG&E, SDG&E and SCE.





Regular Agenda – Energy Orders (continued)

Item # 33 [15104] – California Alternate Rates for Energy/Energy Savings Assistance Programs of Large Investor-Owned Utilities

A14-11-007, A14-11-009, A14-11-010 and A14-11-011 - Related matters.

Application of Southern California Edison Company for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017. Consolidated applications include San Diego Gas & Electric Company, Pacific Gas and Electric Company and Southern California Gas Company.

Ratesetting

Comr Sandoval - Judge Colbert

PROPOSED OUTCOME :

- Sets budgets for California Alternate Rates for Energy (CARE)/Energy Savings Assistance (ESA) Programs for next three years.
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- CARE/ESA Programs provide safe, reasonably-priced energy to low-income customers.

ESTIMATED COST :

- ESA budget of \$749,193,909 for 2017-2018.





Regular Agenda – Energy Orders (continued)

Item # 33a [15105] – COMMISSIONER SANDOVAL’S ALTERNATE TO ITEM 15104

A14-11-007, A14-11-009, A14-11-010 and A14-11-011 - Related matters.

Application of Southern California Edison Company for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.

Ratesetting

Comr Sandoval

PROPOSED OUTCOME :

- Authorizes the Energy Savings Assistance Program and California Alternative Rates for Energy for program years 2017-2020.
- Establishes an energy savings target for the Energy Savings Assistance Program, eliminates the “go back” rule and the three measure minimum rule.
- Creates a new framework for eligible low-income multi-family buildings participating in the Energy Savings Assistance Program.
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- The Energy Savings Assistance Program provides measures to increase eligible low-income populations’ health, comfort and safety.

ESTIMATED COST :

- The Energy Savings Assistance Program has an annual budget of \$372.7 million in 2017, \$379.3 million in 2018, \$386.9 million in 2019 and \$394.6 million in 2020.
- The California Alternative Rates for Energy has an annual budget of \$1.27 billion in 2017, \$1.31 billion in 2018, \$1.32 billion in 2019 and \$1.34 billion in 2020.





Regular Agenda – Water / Sewer Orders

Item # 34 [15240] – Decision Providing Guidance on Water Rate Structure and Tiered Rates

R11-11-008

Order Instituting Rulemaking on the Commission's Own Motion into Addressing the Commission's Water Action Plan Objective of Setting Rates that Balance Investment, Conservation, and Affordability for Class A and Class B Water Utilities.

Quasi-Legislative

Comr Sandoval - Judge Weatherford

PROPOSED OUTCOME :

- Updates Class A and Class B Water Utilities Rate Case Plan (GRC) to promote balanced rates.
- Establishes core principles to promote flexibility to address utility and district circumstances, equity, conservation signals to promote sustainability with a directive to address outlier customer behavior, and actions to increase data availability for customer and system use.
- Creates transition plan for rate cases to switch over to Advanced Metering Infrastructure.
- Orders proposals in GRC applications to update forecast mechanisms, shift more revenue to fixed rates or propose alternatives to reduce revenue under-collection, adjust tiers to encourage conservation, particularly by high-use outliers, and incorporate the Long Run Marginal Cost of water into rates.
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- The rate design principles foster safe, reliable service at just and reasonable rates for all rate payers.

ESTIMATED COST :

- None at this time.





Regular Agenda – Orders Extending Statutory Deadline

Item # 35 [15266] – Order Extending Statutory Deadline

I15-11-015

Order Instituting Investigation and Ordering Pacific Gas and Electric Company to Appear and Show Cause Why It Should not be Sanctioned for Violations of Article 8 and Rule 1.1 of the Rules of Practice and Procedure and Public Utilities Code Sections 1701.2 and 1701.3.

Adjudicatory

Comr Picker - Judge Mason

PROPOSED OUTCOME :

- Extends the statutory deadline for completion of this proceeding until May 17, 2017.

SAFETY CONSIDERATIONS :

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

ESTIMATED COST :

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





Regular Agenda – Orders Extending Statutory Deadline (continued)

Item # 36 [15267] – Order Extending Statutory Deadline

I15-11-006

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Southern California Edison Company Notice of Opportunity for Hearing; and Order to Show Cause Why the Commission Should not Impose Fines and Sanctions for the September 30, 2013 Incident at a Huntington Beach Underground Vault.

Adjudicatory

Comr Randolph - Judge Kim

PROPOSED OUTCOME :

- Extends the statutory deadline for completion of this proceeding until May 4, 2017.

SAFETY CONSIDERATIONS :

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

ESTIMATED COST :

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





Commissioners' Reports





Distributed Energy Resources Action Plan



President Picker and Commissioner
Florio

California Public Utilities Commission
November 10, 2016



Purpose

- The Action Plan will serve as a roadmap for Commissioners, staff, sister agencies, and stakeholders to articulate our distributed energy resource goals and track progress over the next several years.
- The Action Plan consists of vision elements, continuing elements, and action elements.
- Continuing elements identify activities already underway; action elements identify additional activities needed to achieve the vision.





Three Areas of Activity

- Rates and Tariffs
- Distribution Grid Infrastructure, Planning, Interconnection, and Procurement
- Wholesale DER Market Integration and Interconnection





Commissioners' Reports





Management Reports





Regular Agenda – Management Reports and Resolutions

Item # 37 [15227]

Report and Discussion on Recent Consumer Protection and Safety Activities





Safety & Enforcement Division



Emergency Response Basics

November 10, 2016



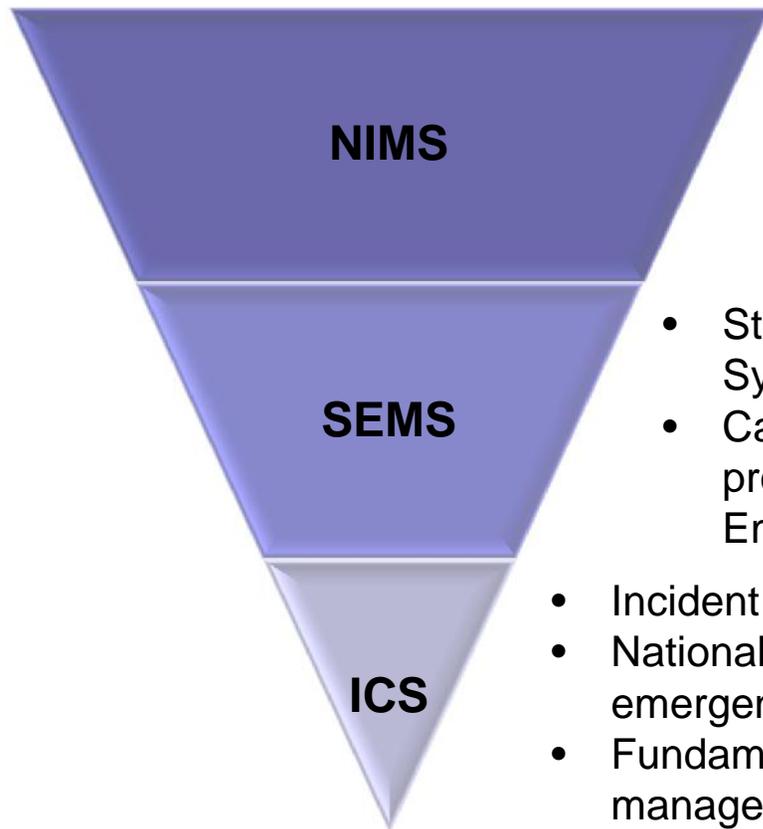


Five Phases of Emergency Management





State and Federal Standards are a Foundation for Emergency Response

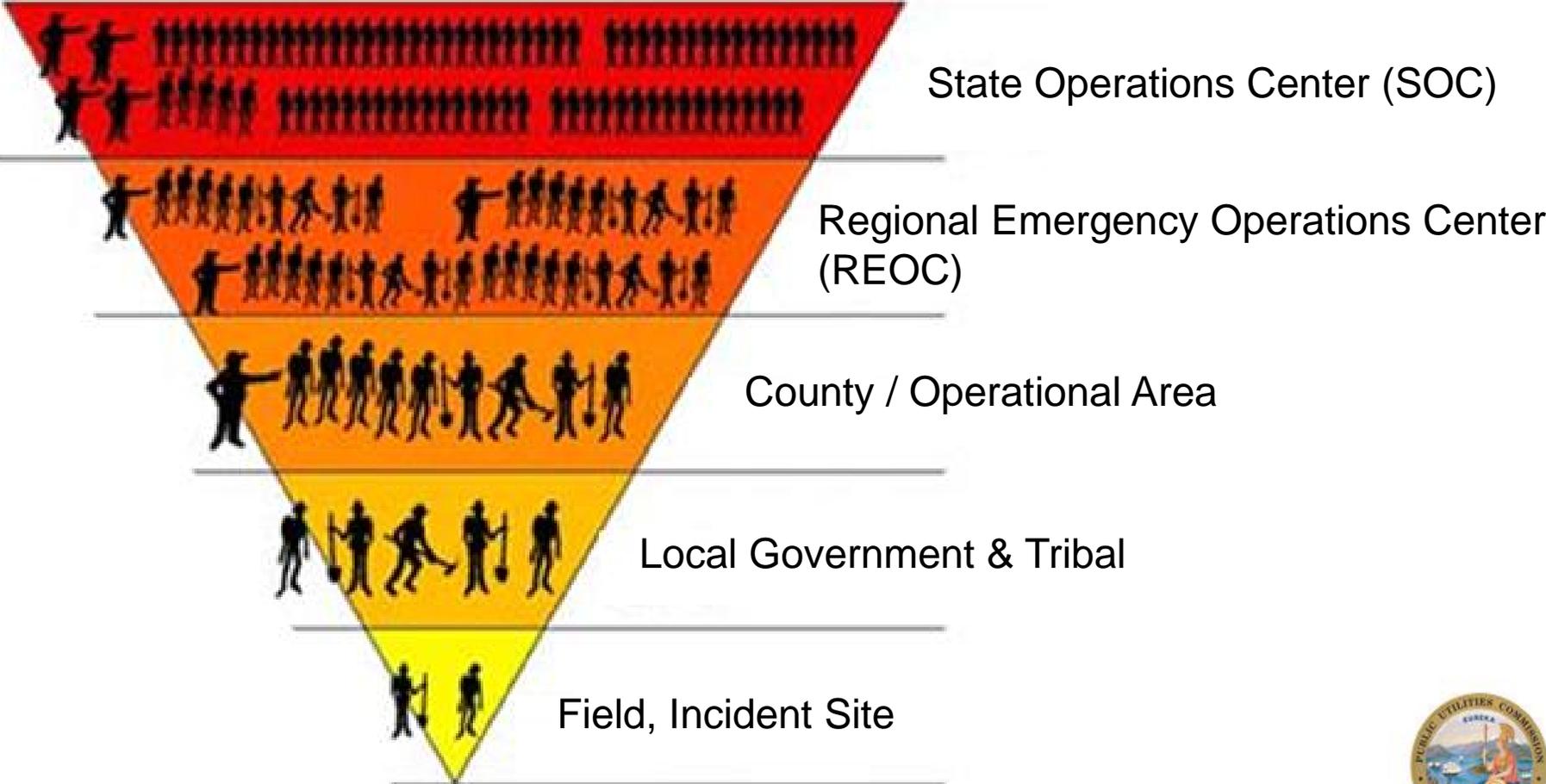


- National Incident Management System (NIMS)
- Federal level - maintained and propagated by Federal Emergency Management Agency (FEMA)
- Standardized Emergency Management System (SEMS)
- California State level – maintained and propagated by California Governor’s Office of Emergency Services (Cal OES)
- Incident Command System (ICS)
- Nationally used standard for on-scene emergency management
- Fundamental elements of incident management in NIMS and SEMS



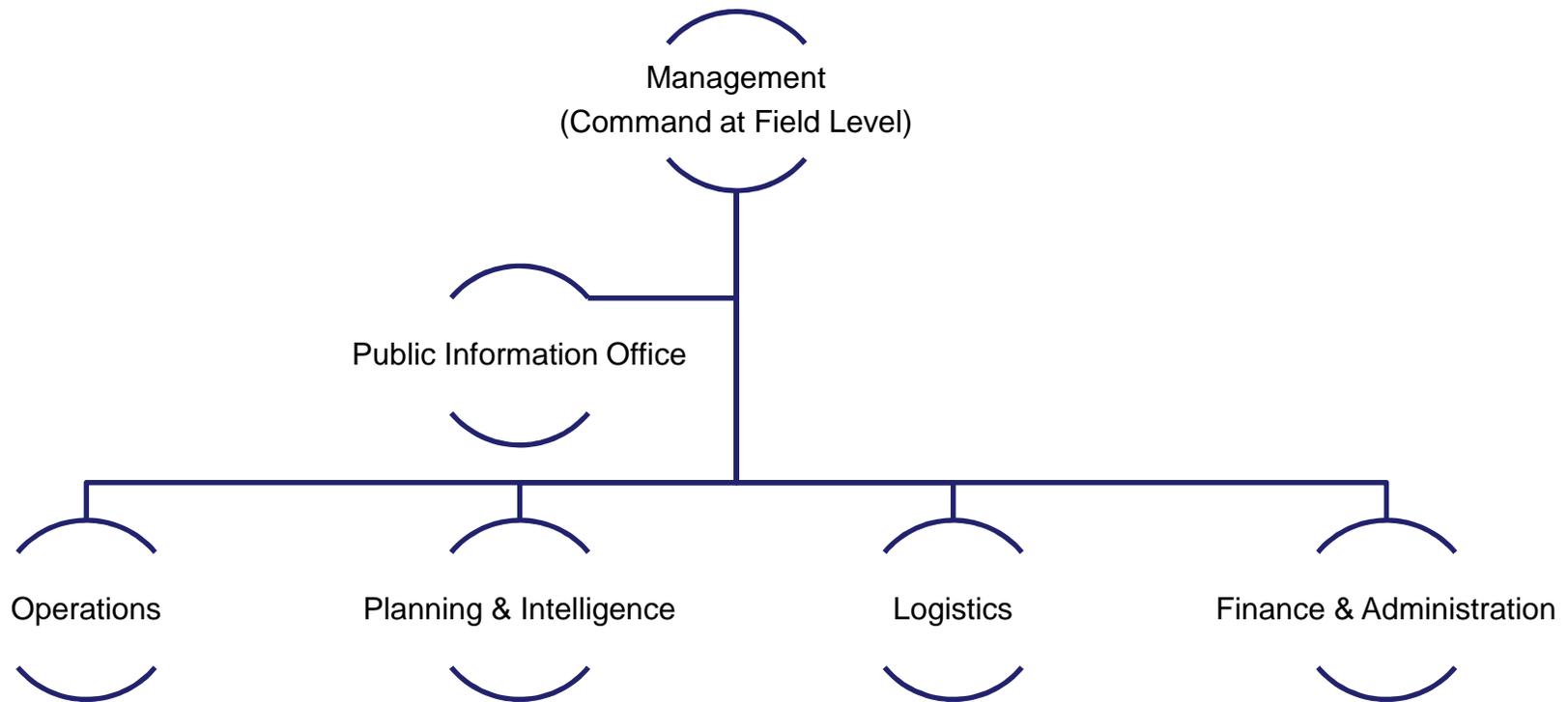


Progressive Emergency Response Levels



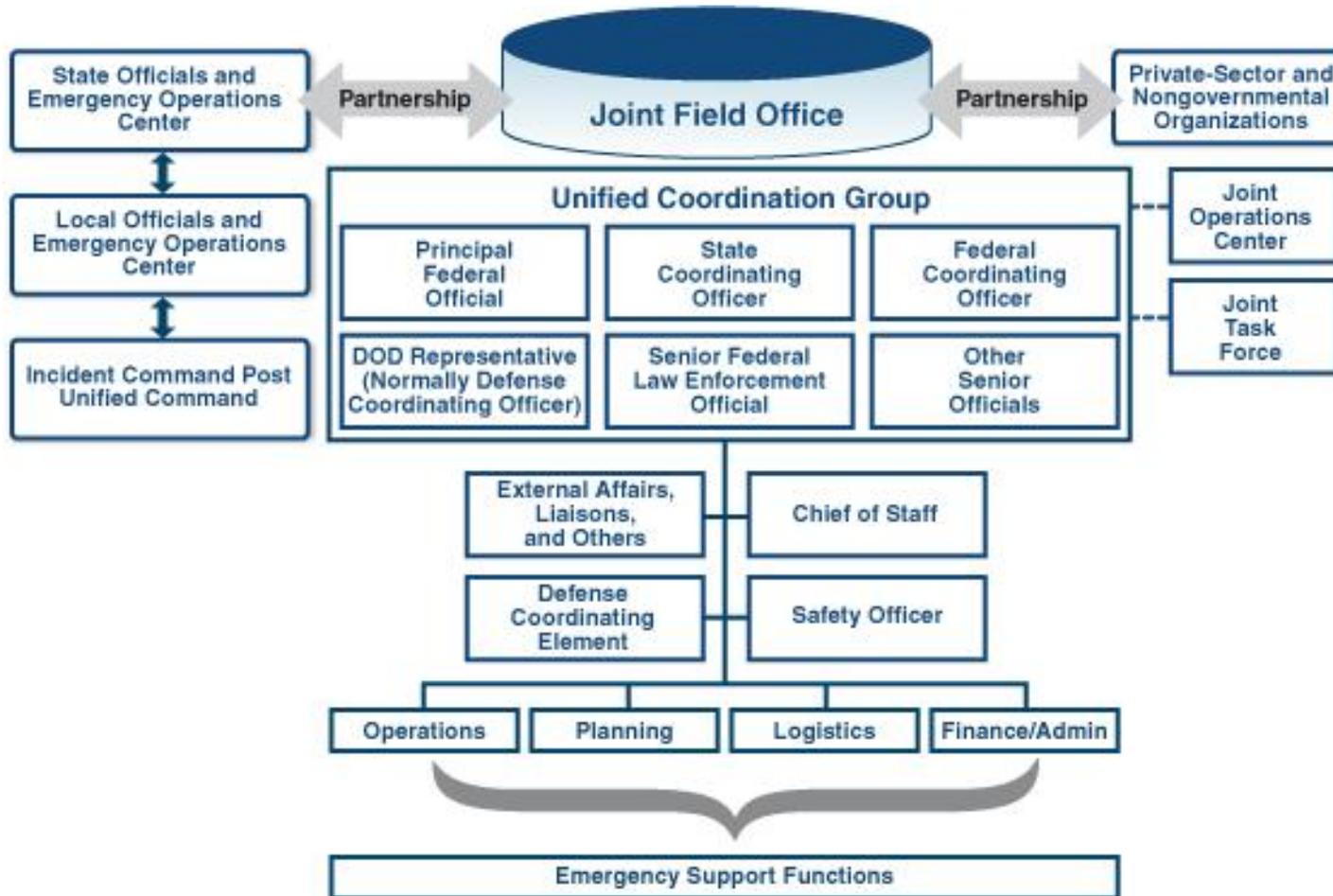


Basic Structure of Emergency Response Under ICS





ICS Structure is the Same for All Incident Levels





Knowledge of ICS is Essential for Effective Response



- NIMS, SEMS & ICS have been developed so that all entities involved in an emergency can speak the same language
- ICS is used on incidents of all sizes – utilities activate their Emergency Operation Centers (EOCs) for many reasons
- CPUC leadership needs to know the basics to effectively communicate with sister agencies, regulated entities and others





CPUC Emergency Response Plan and Protocols



California Public Utilities Commission

Internal Emergency Response Plan and Protocols

Roles and Responsibilities During an Emergency or Catastrophic Event

October 2015



Document covers CPUC main roles:

- Partner with CalOES & other state agencies
- Dispatch investigators on site
- Monitor the response of the regulated entities
- Provide accurate and timely information to the public
- Coordinate with local government officials
- Ensure internal CPUC communication regarding the incident

The document also includes a check-list of top activities that need to happen within 1 hour, 8 hours, 24 hours, 1 week and beyond.





CPUC Memorandum of Understanding With Cal OES



MEMORANDUM OF UNDERSTANDING BETWEEN THE CALIFORNIA PUBLIC UTILITIES COMMISSION AND THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES



The California Public Utilities Commission (CPUC) and California Governor's Office of Emergency Services (Cal OES) (collectively the Parties) enter into this Memorandum of Understanding (MOU) to coordinate emergency planning, response, recovery and mitigation functions between the Parties for emergency and non-emergency purposes.

ROLES AND RESPONSIBILITIES

Cal OES is charged with preparing and protecting California from all hazards and threats whether natural or man-made. Cal OES is both the State's homeland security department and its emergency management agency. Cal OES oversees the State's 911 system and plans and prepares for, responds to, mitigates, and aids in recovery from the effects of disasters and emergencies that threaten lives, property, and the environment. Cal OES is responsible for coordinating the emergency response efforts of all state agencies and departments in times of an emergency. Cal OES is also responsible for deploying resources under the Master Mutual Aid Agreement throughout the state. Cal OES has an existing MOU with the California Utilities Emergency Association (CUEA), a member organization that facilitates emergency issues for utilities, that describes mutual support and operations between the organizations.

The CPUC regulates investor-owned critical infrastructure and utility services, which are vulnerable to natural disasters and/or man-made disruptions. The CPUC ensures that regulated services are delivered in a safe, reliable manner. During an emergency, CPUC's role includes, but it is not limited to, the following:

- Dispatch trained staff to the scene of the incident to investigate;
- Mentor the response of regulated entities;
- Provide accurate and timely information regarding utility safety to the public and local governments;
- Coordinate with local governments; and
- Provide assistance to other government agencies with a direct role in emergency responses.

SHARED PRIORITIES

The following priorities are shared by CPUC and Cal OES for effective communication and coordination during emergency and non-emergency operations:

- The Memorandum of Understanding (MOU) was signed by CPUC and Cal OES in September, 2016
- Discusses shared priorities and responsibilities of each agency across several categories, including:
 - Disaster preparedness
 - Oversight of Infrastructure Operators
 - Disaster Response and Recovery
 - Government and Business Continuity
- Includes agreement of training CPUC staff at all levels in NIMS, SEMS and ICS





Next Steps: Increasing CPUC-Wide Understanding of Emergency Response



- Broaden CPUC participation in Emergency Response Exercises
- Increase the depth of review of utility emergency response plans
- Develop training requirements for CPUC staff, including obtaining FEMA certifications for select personnel
- Increase CPUC's ability to directly participate in Emergency Response through Emergency Operations Centers (EOCs) at utility, regional and state levels





Additional Resources and Document Links

- CPUC Emergency Response Plan and Protocols:
- CPUC & Cal OES MOU Agreement:
- List of Upcoming Emergency Response Exercises:
<http://www.cpuc.ca.gov/General.aspx?id=6442451501>

- Additional Resources through Cal OES:
<http://www.caloes.ca.gov/cal-oes-divisions/planning-preparedness/standardized-emergency-management-system>

- Additional Resources though FEMA:
<https://www.fema.gov/national-incident-management-system>





Regular Agenda – Management Reports and Resolutions

Item # 37 [15227]

Report and Discussion on Recent Consumer Protection and Safety Activities





Regular Agenda – Management Reports and Resolutions

Item # 38 [15228]

Management Report on Administrative Activities





Management Reports





The CPUC Thanks You For Attending Today's Meeting

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

**December 1, 2016 at 9:30 a.m.
in San Francisco, CA**

