



CPUC Public Agenda 3376
Thursday, April 21, 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





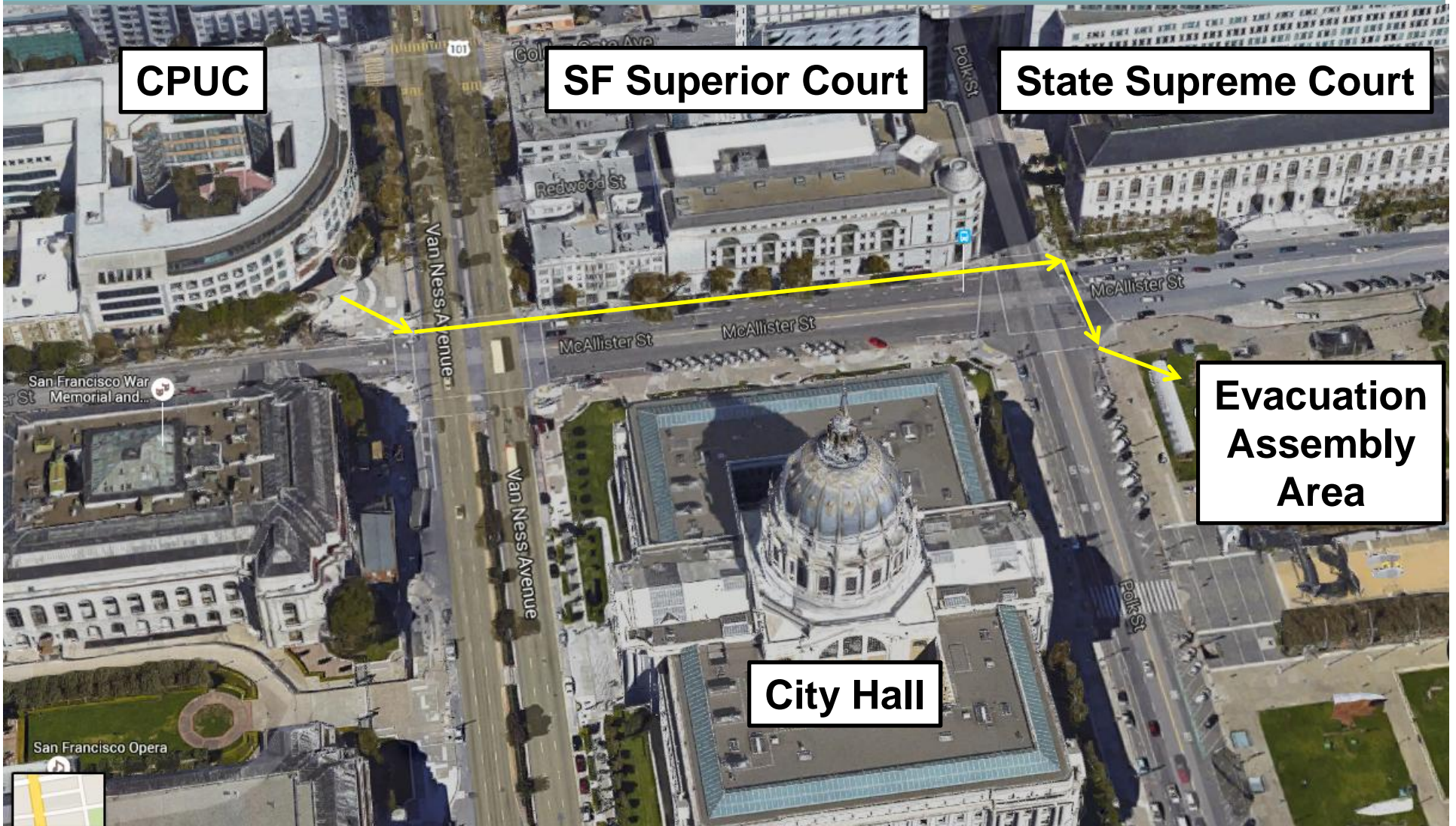
The Pledge of Allegiance



“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





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:

- **15, 16, 23**
- 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.
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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, 2, 3, 4, 5, 8, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32.
- 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 5/12/16: 6, 7, 9, 10, 41, 42, 43, 44, 45.
 - Held to 5/26/16: 34, 37.





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 # 33 [14544] – Denies Compensation to Center for Accessible Technology

A11-05-017, A11-05-018, A11-05-019, and A11-05-020 - Related matters.

Application of Southern California Edison Company for Approval of its 2012-2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets. Consolidated applications include Southern California Gas Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company.

Ratesetting

Comr Sandoval - Judge Kim

PROPOSED OUTCOME:

- Denies award to Center for Accessible Technology for failure to timely file the claim for intervenor compensation in support of potential contribution to Decisions (D.) 12-12-011 and D.14-08-030. D.12-12-011 approved the continued funding for the Community Help and Awareness with Natural Gas and Electricity Services Pilot Program and D.14-08-030 addressed Phase II issues regarding the Energy Savings Assistance Program and California Alternate Rates for Energy Program applications. Center for Accessible Technology requested \$73,122.92.

SAFETY CONSIDERATIONS:

- None as a result of this decision.

ESTIMATED COST:

- None as a result of this decision.





Regular Agenda - Energy Orders (continued)

Item # 33a [14755] – Commissioner Florio’s Alternate to Item 14544

A11-05-017, A11-05-018, A11-05-019, and A11-05-020 - Related matters.

Application of Southern California Edison Company for Approval of its 2012-2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets. Consolidated applications include Southern California Gas Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company.

Ratesetting

Comr Florio

PROPOSED OUTCOME:

- Awards Center for Accessible Technology \$67,340.82 for substantial contribution to Decision (D.) 12-12-011 and D.14-08-030. D.12-12-011 approved the continued funding for the Community Help and Awareness with Natural Gas and Electricity Services Pilot Program and D.14-08-030 resolved/continued Phase II issues regarding the Energy Savings Assistance Program and California Alternate Rates for Energy Program applications. Center for Accessible Technology requested \$73,122.92.

SAFETY CONSIDERATIONS:

- Substantial contribution by intervenors, as found here, enhances the Commission’s regulation and oversight of public utilities, which under Pub. Util. Code § 451 must "promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

ESTIMATED COST:

- \$67,340.82 plus interest, to be paid by ratepayers of Pacific Gas & Electric Company, Southern California Edison Company, San Diego Gas & Electric and Southern California Gas Company.





Regular Agenda - Energy Orders (continued)

Item # 35 [14792] – Southern California Gas Company, 2016 Marketing, Education, and Outreach Activities Related to the Aliso Canyon Gas Leak and Summer Reliability

A12-08-007, A12-08-008, A12-08-009, and A12-08-010 - Related matters.

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Statewide Marketing, Education and Outreach Program and Budget. Consolidated applications include Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company.

Ratesetting

Comr Peterman - Judge Roscow

PROPOSED OUTCOME:

- Authorizes Southern California Gas Company (SoCalGas) to provide \$5 million of funding to support paid Flex Alert advertising by the California Independent System Operator, to promote conservation and summer reliability in the aftermath of the Aliso Canyon gas leak.
- SoCalGas is authorized to utilize up to an additional \$6 million to implement its own proposal for a targeted marketing, education, and engagement campaign.
- Authorizes SoCalGas to establish a memorandum account to track all costs associated with the marketing, education, and outreach activities approved in this Decision.
- The Commission will determine in a future decision whether ratepayers or SoCalGas shareholders shall be responsible for the expenditures authorized in this Decision.

SAFETY CONSIDERATIONS:

- This decision does not order any actions by the utilities relating to safety.

ESTIMATED COST:

- Up to \$11 million in 2016.





Regular Agenda - Energy Orders (continued)

Item # 36 [14799] – Orders Suspension of “Go Back Rule” and “Three Measure Rule” in Area Affected by Aliso Canyon Leak – if Measures Result in “Significant” Energy Savings

A14-11-007, A14-11-009, A14-11-010, 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:

- Suspends “Go Back Rule” and “Three Measure Rule.”

SAFETY CONSIDERATIONS:

- Allows for natural gas savings; prevents blackouts.

ESTIMATED COST:

- Unknown.





Regular Agenda - Energy Orders (continued)

Item # 36a [14802] – COMMISSIONER SANDOVAL’S ALTERNATE TO ITEM 14799

A14-11-007, A14-11-009, A14-11-010, 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

PROPOSED OUTCOME:

- Orders Southern California Gas Company and Southern California Edison Company to intensify all Energy Savings Assistance Program portfolio offerings in the Los Angeles Basin, Ventura County, and Orange County.

SAFETY CONSIDERATIONS:

- Natural Gas and Electric energy savings will enhance system reliability stemming from the leak at Aliso Canyon, preventing curtailments to both “core” and “non core” customers such as electric generators.

ESTIMATED COST:

- No new costs to be collected from ratepayers; emergency actions will utilize existing budgets and unspent and underspent funding.





Regular Agenda – Transportation/Rail Safety Orders

Item # 38 [14615] – Rulemaking to Develop Additional Regulation for Transportation Network Companies

R12-12-011

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

Quasi-Legislative

Comr Randolph - Judge Mason

PROPOSED OUTCOME:

- Updates existing regulations and enacts new regulations, including vehicle inspections, driver training, carriers that transport unaccompanied minors, and rules for fare-splitting among passengers, among other issues, for Charter Party Carriers (TCPs) and Transportation Network Companies (TNCs). Further directs other issues to be addressed in Phase III.

SAFETY CONSIDERATIONS:

- Adopts additional requirements for vehicle inspections, records maintenance, records inspections, background checks for transporting unaccompanied minors, and leased vehicles.

ESTIMATED COST:

- The cost to the TNCs and TCPs in complying with these new requirements may be reflected in safety fees charged by the TNCs, or in overall higher per passenger charges by TNCs and TCPs.





Regular Agenda - Orders Extending Statutory Deadline

Item # 39 [14762] – Order Extending Statutory Deadline

R13-12-010

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Ratesetting

Comr Picker - Judge Fitch

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until July 4, 2016.

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 # 40 [14778] – Order Extending Statutory Deadline

A13-09-010

In the Matter of the Application of Southern California Gas Company for Approval of the Branch Office Optimization Process.

Ratesetting

Comr Peterman - Judge Colbert

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until July 3, 2016.

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





Management Reports





Regular Agenda – Management Reports and Resolutions

Item # 46 [14730]

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





Safety & Enforcement Division - Gas Safety Summary of Audits Conducted in 2015



Dennis Lee, P.E.

**Program and Project Supervisor, Safety and Enforcement
Division**

California Public Utilities Commission

April 21, 2016





Summary of Audits Conducted in 2015

- In 2015, conducted topic-specific Standard Gas Inspections:
 - Corrosion monitoring (2015)
 - Valves and regulators (2016)
 - Patrolling and leak surveys (2017)





Summary of Audits Conducted in 2015

- Corrosion Monitoring -
Maintaining a corrosion prevention system called cathodic protection to prevent corrosion on gas pipelines
- Corrosion can damage gas pipelines





Summary of Audits Conducted in 2015

- Specialized Gas Inspections:
 - Operation, Maintenance, & Emergency Plans
 - Operator Qualification Program
 - Integrity Management Program
 - Control Room Management
 - Damage Prevention Program
 - etc.





Summary of Audits Conducted in 2015

- In 2015, conducted over 70 standard and specialized inspections of gas operators
- Gas operators: PG&E, Sempra (SoCal Gas & SDG&E), Southwest Gas, Alpine Natural Gas, West Coast Gas, SCE, etc.





Summary of Audits Conducted in 2015

- Found over 60 probable violations:
 - Operators not following procedures
 - Exceeding the inspection intervals
 - Not remediating deficient cathodic protection areas in a timely manner





Summary of Audits Conducted in 2015

- Service Line / Distribution Main Inspections:
 - Conducted over 65 inspections in 2015
 - Replacements, new installations, abandonments, re-locations, etc.





Regular Agenda – Management Reports and Resolutions

Item # 46 [14730]

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





Regular Agenda – Management Reports and Resolutions

Item # 47 [14729]

Management Report on Administrative Activities



A stylized, light green graphic of a tree with a curved trunk and a few rounded branches, positioned on the left side of the page. The background is a solid, muted olive green.

Pacific Forest and Watershed
Lands Stewardship Council

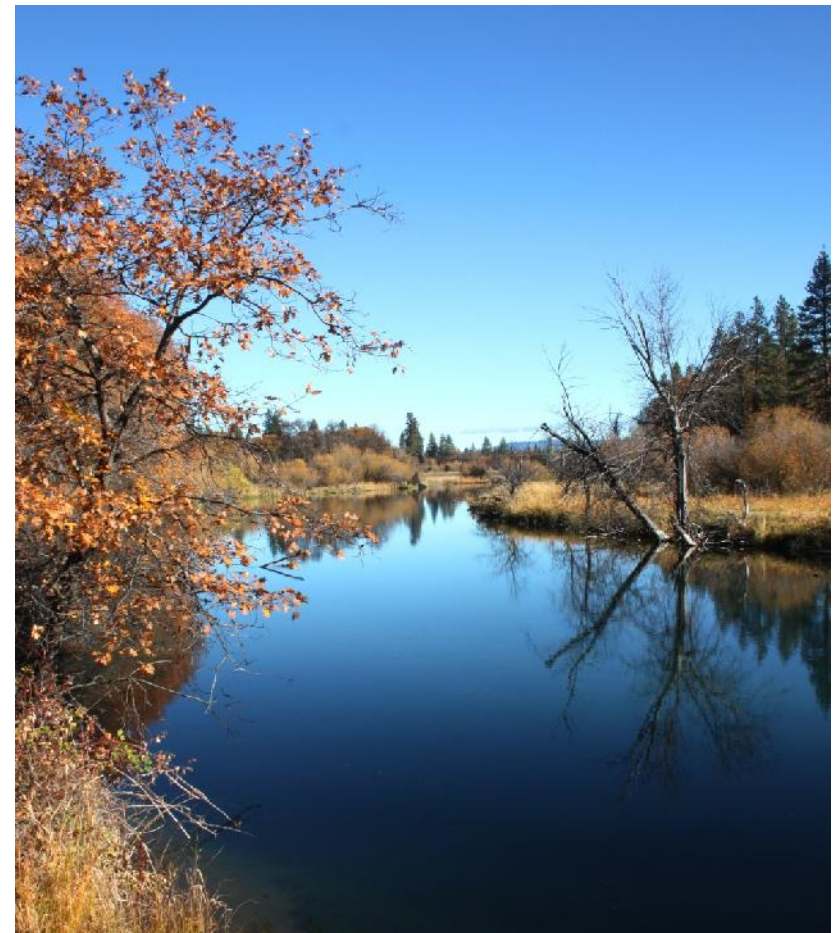
**California Public
Utilities Commission**

Biannual Report
April 21, 2016



Stewardship Council Mission

- To protect and enhance PG&E's watershed lands and uses
- To invest in efforts to improve the lives of young Californians through connections with the outdoors





PG&E's Land Conservation Commitment

As part of a 2003 Settlement Agreement, PG&E agreed to permanently protect approximately 140,000 acres of its watershed lands located primarily in the Sierra Nevada and Cascade mountain ranges and conserve these lands for a broad range of public benefits.

CPUC approved an expenditure of \$70 million in ratepayer funds for the planning and implementation of PG&E's Land Conservation Commitment.



Permanent Protection of PG&E Watershed Lands

Permanent protection and/or enhancement of the Beneficial Public Values will be achieved through:

- The donation of a significant amount of watershed lands to qualified entities with PG&E retaining lands needed for hydroelectric operations
- The establishment of conservation easements
- The promotion of new collaborative partnerships
- The funding of a variety of enhancement projects

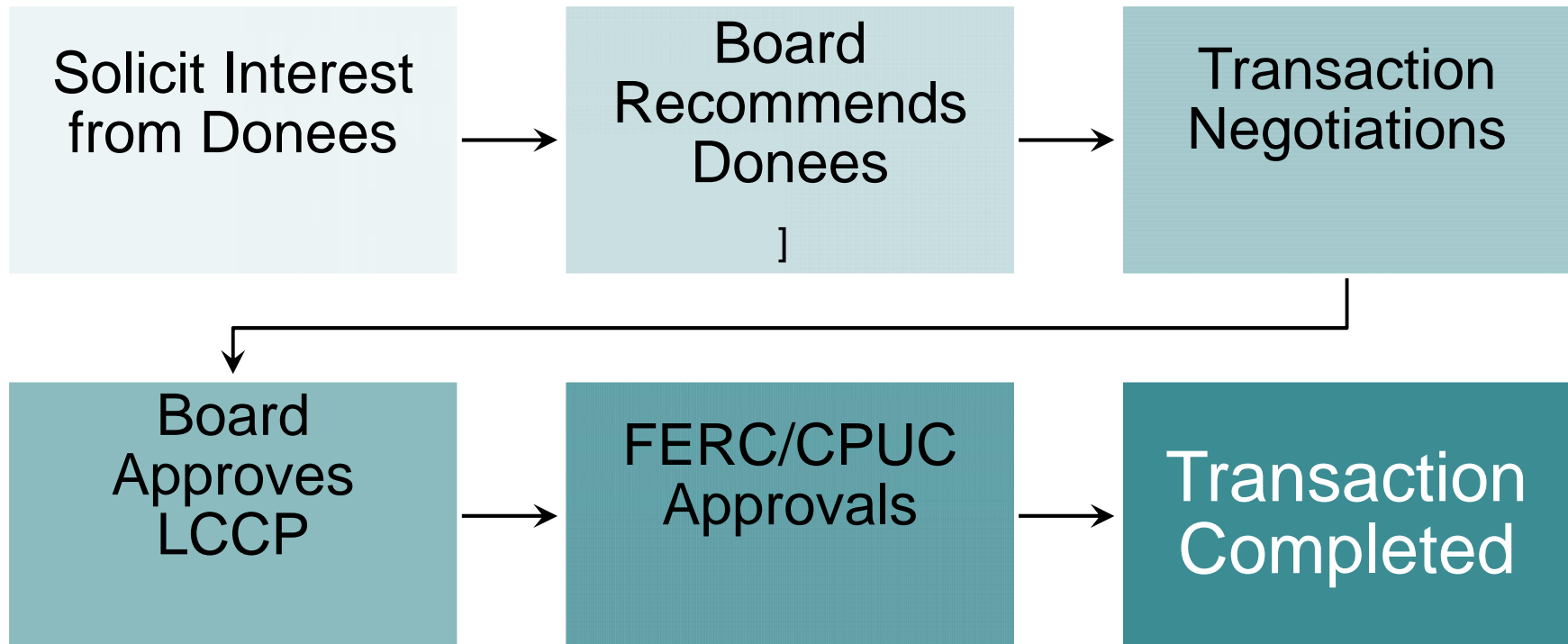


Stewardship Council Roles

- To oversee the planning and implementation of PG&E's Land Conservation Commitment and ensure the land transactions comply with the requirements of the PG&E Settlement Agreement
- To make recommendations of qualified entities to hold the conservation easements and receive fee donations
- To award grants for enhancement projects on PG&E's Watershed Lands



Land Conservation and Conveyance Process





Public Participation

The Stewardship Council considers public participation to be an important and key aspect of the land planning and land transfer process, and engages stakeholders throughout the process.



Progress To Date

- The Stewardship Council board has recommended that over 35,000 acres of Watershed Lands be donated to 17 organizations (public agencies, conservation non-profits, and three tribal entities).
- 12 qualified organizations have been selected to hold conservation easements over the Watershed Lands



Progress To Date

- Stewardship Council's recommendations of prospective fee and conservation easement holders are nearly complete
- Negotiations underway on more than 60 transactions
- Board has adopted 28 Land Conservation and Conveyance Plans (LCCPs) describing how the recommended fee donations and conservation easement transactions comply with PG&E's Settlement Agreement and protect and enhance the Watershed Lands



Regulatory Approvals

- PG&E has submitted and FERC has approved eight applications for establishment of conservation easements on lands within FERC license project boundaries
- PG&E has submitted seventeen Advice Letters to the CPUC; one was withdrawn; twelve have been approved.



Land Transactions Completed

- Four donations of fee title have been completed
- Eight conservation easements and two conservation covenants have been recorded, which will protect the Beneficial Public Values of the properties in perpetuity



Plan for Remaining Work

- More than 50 LCCPs to be adopted by Stewardship Council board in next 2-3 years.
- PG&E's will submit 50 or more Section 851 advice letters to CPUC
- Final set of advice letters anticipated to be filed in 2018
- All transactions anticipated to be completed by mid-2019
- Stewardship Council will cease to operate when work is completed



Grants for Watershed Land Enhancements

- In 2012, Stewardship Council launched a grant program for enhancement projects on PG&E watershed lands
- Grants support physical enhancements, research, surveys, studies, and enhanced land management
- Eligible grantees are fee title recipients and conservation partners



Status of Environmental Enhancement Program

- 18 enhancement projects approved
- \$4.8 million awarded or allocated for projects with costs ranging from \$14,000 to \$1.4 million
- Habitat restoration, cultural resource protection, recreational improvements, forestry research to enhance beneficial public values of forested lands
- 10 additional project proposals in development



Hat Creek Enhancement Project

- Sponsors: Cal Trout, Pit River Tribe, Lomakatsi Restoration
- Habitat restoration, cultural resource protection, recreational improvement, and youth involvement





Youth Investment Program





Youth Investment Program

Connecting underserved California youth to the outdoors

- Park investments
- Support for outdoor programs
- Total PG&E ratepayer funding commitment of \$30 million



Youth Investment Program 2006-2015

Collectively, the Stewardship Council and the non-profit we created (Youth Outside) have awarded approximately \$16 million in grants for youth programs or park and other infrastructure projects serving over 300,000 youth in the PG&E service area



Youth Outside

- In 2013, the Stewardship Council transferred the remaining net assets of its youth investment program to Youth Outside to continue our legacy of funding outdoor education programs.
- Youth Outside expends our funds and new funds it generates for grantmaking and for initiatives to reduce the barriers to connecting underserved youth to the outdoors.



2015 Budget to Actual as of December 31, 2015

Category	2015 Budget	2015 Actuals	Variance
General and Administrative	1,965,234	1,689,402	275,832
Contractual Services	1,448,250	477,146	971,104
Land Program Grants	7,713,900	3,839,728	3,874,172
Capital Expenditures	7,000	4,064	2,936
Total	11,134,384	6,010,340	5,124,044

Land Program grants are projected to increase significantly in 2016 due to anticipated increase in pace of transactions.



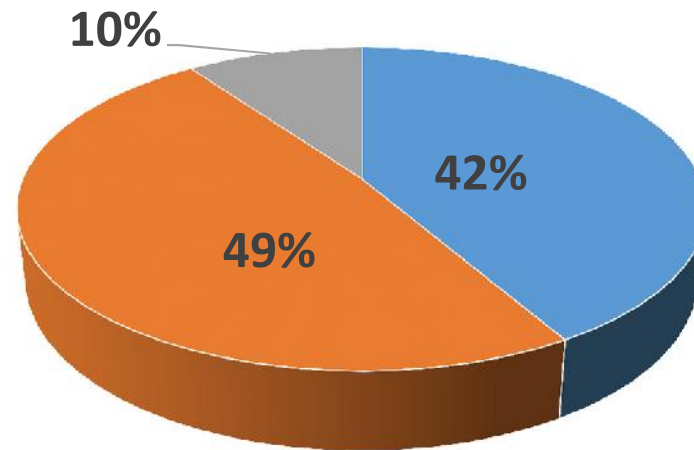
2016 Budget Plan

Category	Land Total	Youth Total	OH Total	Annual Total
Admin/Office Operations	325,901	1,628	95,927	423,456
Board/Public Meetings	42,072	304	9,424	51,800
Wages and Benefits	1,069,188	8,224	447,215	1,524,627
Contracted Services	1,161,504	0	58,500	1,220,004
Grant Awards	6,948,400	0	0	6,948,400
Capital Expenditures	12,200	0	2,400	14,600
Total Expenditures	9,559,265	10,156	613,466	10,182,887



Total Expense Allocation 2004 through 2015

Total Expense Allocation - 2004 through 2015

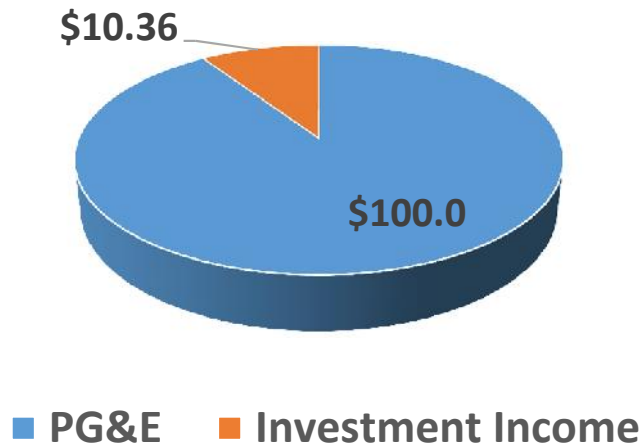


■ Land ■ Youth ■ Management

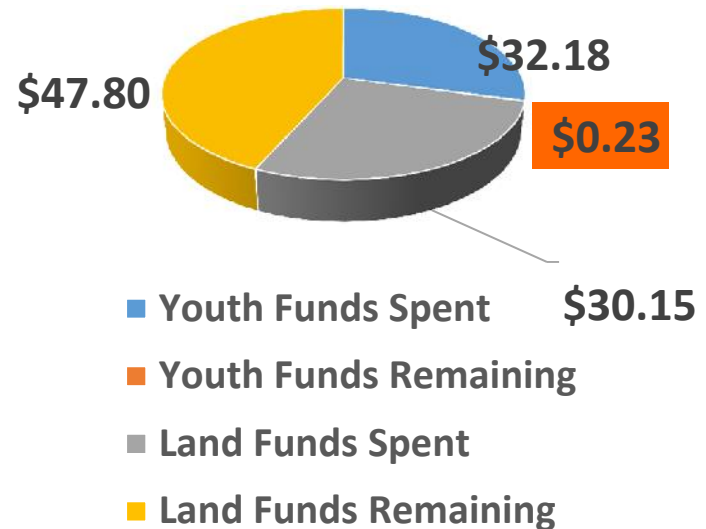


Funding Snapshot: \$100 Million from PG&E

Source of Funds
2004 through 2015
(\$ Millions)



Use of Funds
2004 through 2015
(\$ Millions)





PG&E Watershed Lands





Regular Agenda – Management Reports and Resolutions

Item # 47 [14729]

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:**

**May 12, 2016 at 9:30 a.m.
in Sacramento, CA**

