



**CPUC Public Agenda 3392**  
**Thursday, February 9, 2017 9:30 a.m.**  
**San Francisco, CA**



**Commissioners:**  
**Michael Picker, President**  
**Carla J. Peterman**  
**Liane M. Randolph**  
**Martha Guzman Aceves**  
**Clifford Rechtschaffen**

[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.”





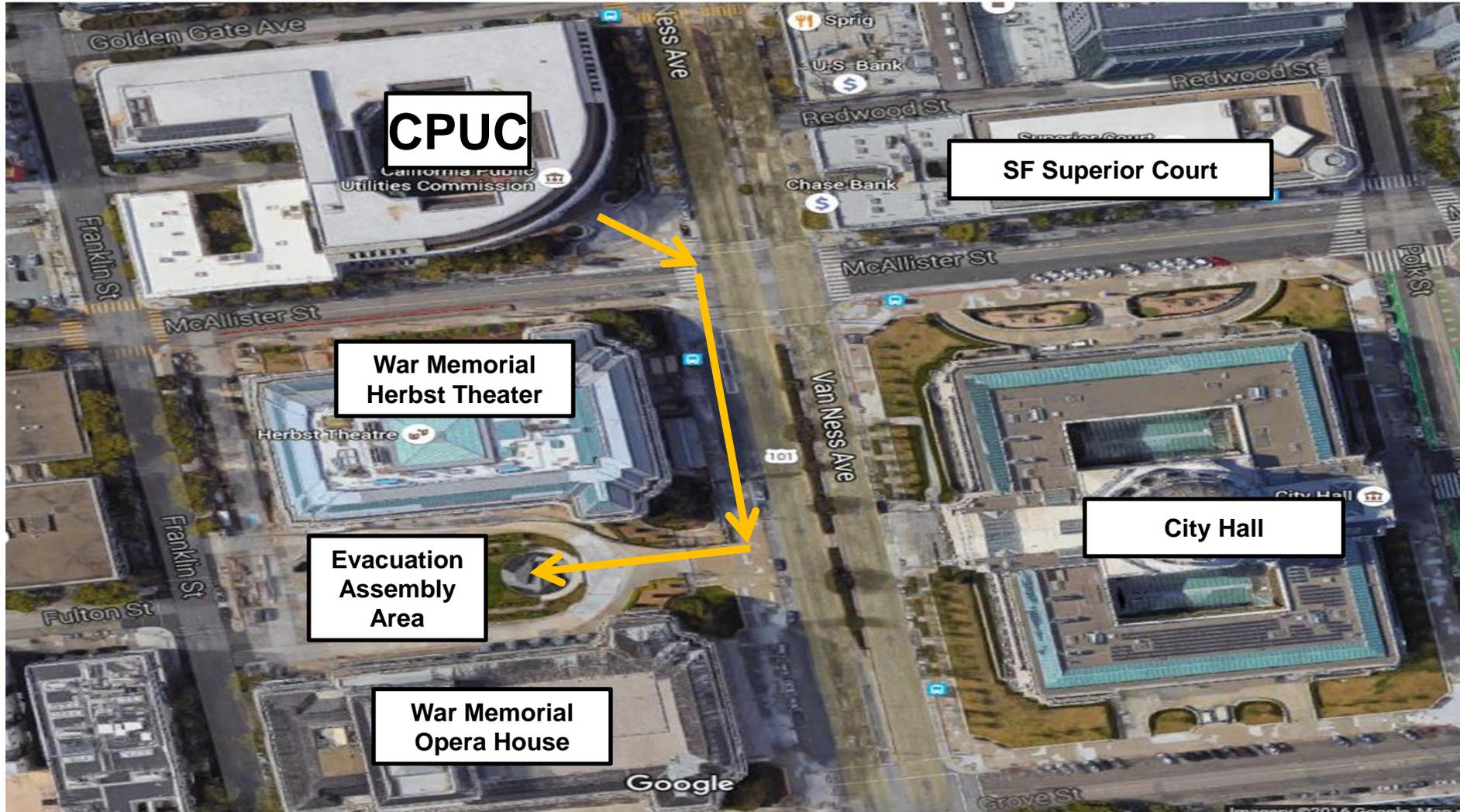
# Emergency Evacuation

Safety is our number one priority:

Please listen to the emergency evacuation instructions for this location.



# 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:**

- **3, 19.**
- 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, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, and 24.**
- 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 26, and 27** 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 5, and 6** have been moved to the Regular Agenda.
- **No Item** has been withdrawn.
- The following items have been held to future Commission Meetings:  
Held to 3/2/17: **4, 5, and 22.**





# 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 – Orders and Resolutions

### Item # 5 [15454] – Approving \$41,780,14 California Advanced Service Fund Grant for Inyo Networks' Digital 299 Broadband Infrastructure Project to Link Humboldt Bay Region to the Northern Sacramento Valley

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Res T-17548

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#### **PROPOSED OUTCOME :**

- Approves \$41,780,141 California Advanced Service Fund (CASF) grant application of Inyo Networks, Inc. for digital 299 middle-mile broadband project. Project will provide high-capacity backhaul infrastructure and interconnection points to communities along State Route 299 corridor. Project would also directly connect 307 underserved households and 117 Community Anchor Institutions to last-mile Internet services capable of 1 Gbps throughput.

#### **SAFETY CONSIDERATIONS :**

- Mostly underground wired system provides redundant infrastructure in an area with limited access points and high earthquake and fire risk. Proposed cellular towers facilitate communication with first responders in an area with poor cellular telephone coverage.

#### **ESTIMATED COST :**

- Would expand \$41,780,141 from CASF Infrastructure grand fund.





# Digital 299 - Inyo Networks, Inc. CASF Project



**Mike Amato**

*Acting Director, Communications Division*

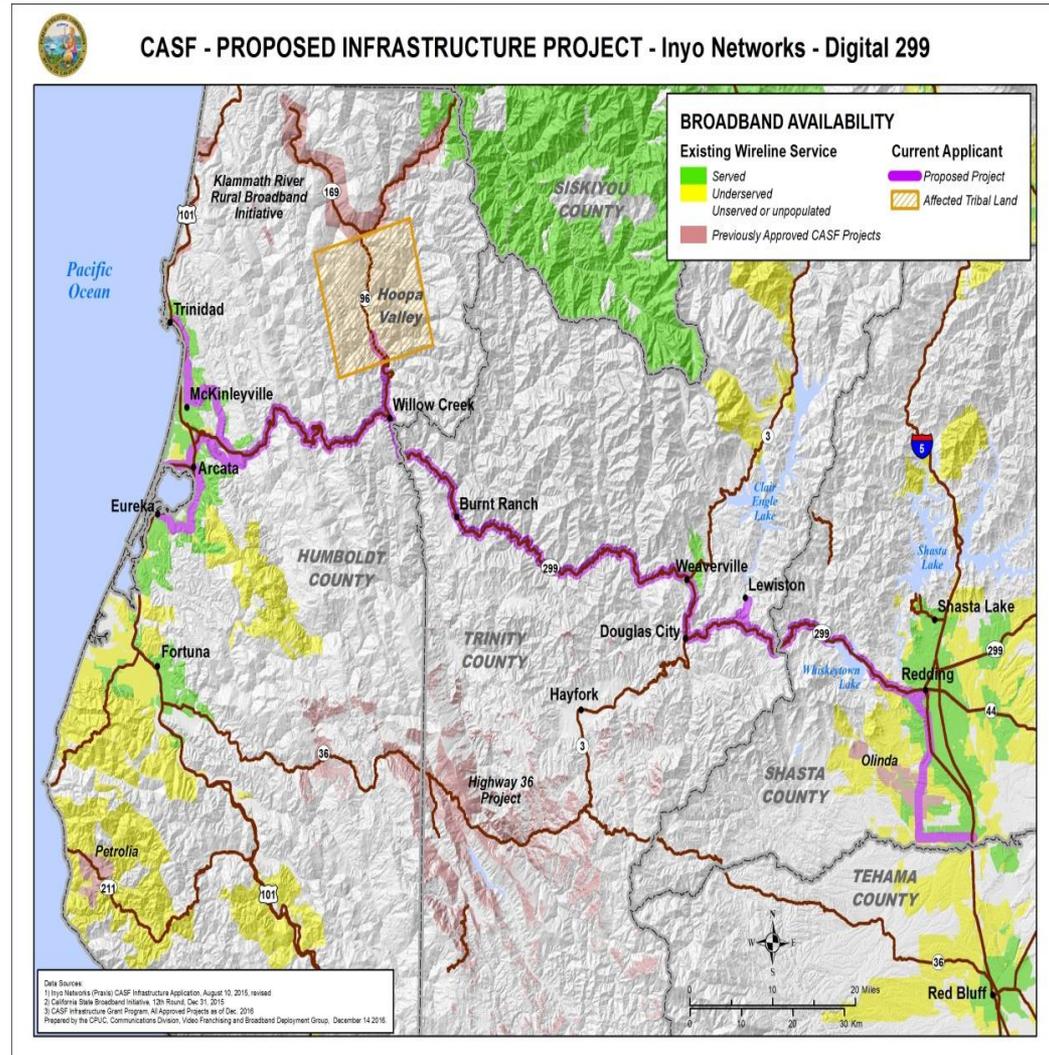
**February 9, 2017**



# Summary

A completed project would:

- Provide an east-west connection between Eureka to Redding
- Provide 221.1 miles of mostly trenched middle-mile fiber
- Provide last-mile fiber connections to 307 underserved HHs in Lewiston
- Provide broadband speed up to 1 Gbps down/up
- Offer improved service to 102 anchor institutions
- Cost \$40,502,691 to the CASF program (\$60.4% of total eligible project cost)





# Inyo's Request vs. CD's Recommendation

	<b>Inyo's Request</b>	<b>CD's Recommendation in Draft Resolution T-17548</b>
<b>Amount of CASF Funds Requested</b>	\$50,971,897 (70%)	\$40,502,691 (60.4%)
<b>Last-Mile</b>	1,032HHs	307 HHs (some areas eliminated because of challenges/other providers)
<b>Middle-Mile</b>	221.1 miles	221.1 miles (but approx. 21.9 miles that passed through served areas in Cottonwood, Redding, and Weaverville have been pro-rated out of the middle-mile and common costs budgets)
<b>Cell Tower Sites</b>	15	15 (but limits CASF subsidies for towers to un/underserved areas)
<b>Performance Bond</b>	Waived	Required





# Digital 299 Project Advantages

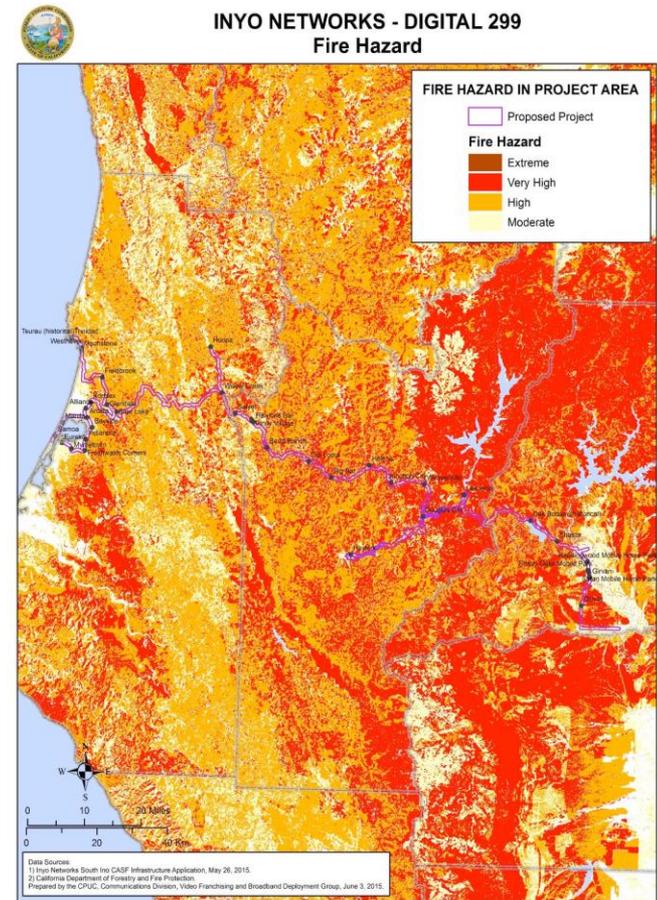
- Project provides backhaul to constrained region.
- Project has the potential to serve about 47,000 households in the Census Block Groups this project intersects. There are about 10,000 households within 5 miles on either side of the line.
- Project would connect to Native American tribes (Trinidad and Blue Lake Rancherias, Hoopa Reservation), Humboldt State University Marine Lab and to a potential Oceanic cable landing.
- Project would fund cell tower construction to allow fixed or mobile broadband providers to attach their facilities to provide service to more households.





# Additional Benefits—Public Safety

- Provides broadband service to a seismically active area where 3 continental plates meet.
- Provides undergrounded facilities in high fire risk, forested area.
- Tower facilities provide opportunity for wireless providers to reduce long gaps with no service.
  - California Center for Rural Policy: “Cannot emphasize how dangerous this remote region can be.”





## Regular Agenda – Orders and Resolutions

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#### **SAFETY CONSIDERATIONS :**

- Mostly underground wired system provides redundant infrastructure in an area with limited access points and high earthquake and fire risk. Proposed cellular towers facilitate communication with first responders in an area with poor cellular telephone coverage.

#### **ESTIMATED COST :**

- Would expand \$41,780,141 from CASF Infrastructure grand fund.





## Regular Agenda – Orders and Resolutions (continued)

**Item # 6 [15461] – Approval of LCB Communications LLC/ Digital Voice Service Provider, South Valley Internet, Inc., for its Light Saber Broadband Project in the Amount of \$1,120,408 from the California Advanced Services Fund**

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Res T-17545

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### **PROPOSED OUTCOME :**

- Approves funding for the grant application of LCB Communications LLC/ Digital Voice Service provider, South Valley Internet, Inc., from the California Advanced Services Fund in the amount of \$1,120,408 for the Light Saber Project in Paradise Valley, a portion of the rural unincorporated area of Santa Clara County.

### **SAFETY CONSIDERATIONS :**

- This project will provide broadband services to 150 households and will provide safety benefits to the community as well as supplying public safety agencies in the area with an interconnected public safety data communications network.

### **ESTIMATED COST :**

- \$1,120,408.





# Light Saber - LCB Communications LLC/South Valley Internet Inc. CASF Project



**Mike Amato**

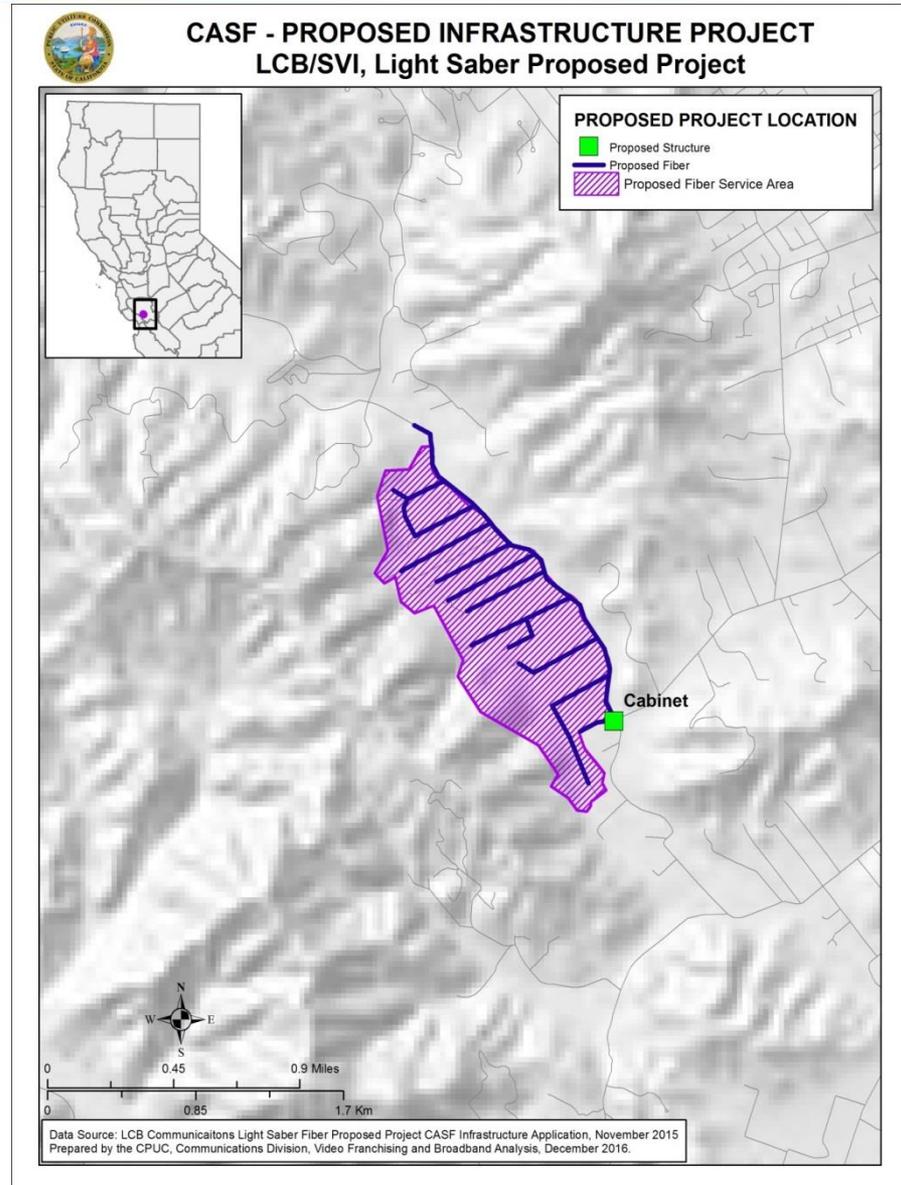
*Acting Director, Communications Division*

**February 9, 2017**

# Summary

A completed project would:

- Serve Paradise Valley in Santa Clara County
- Deploy 17 miles of fiber optic cable
- Provide up to 1 Gbps synchronous service (fiber-to-the home)
- Serve 150 underserved households
- Cost \$1,098,725 to the CASF program; (58% of eligible project costs)





# Light Saber Project Review

- **Safety**
  - Improves home access to e-health services.
  - Provides public safety benefits by enabling the local communications facilities that provide voice services to meet FCC standards for E911 service and battery backup.
- **Project Cost Reductions**
  - Removed areas served by challenger.
  - Pro-rated cost of middle-mile facilities pursuant to CASF rules.
  - Per household cost of \$7,325, comparable to past CASF fiber to the home projects.





## Regular Agenda – Orders and Resolutions (continued)

**Item # 6 [15461] – Approval of LCB Communications LLC/ Digital Voice Service Provider, South Valley Internet, Inc., for its Light Saber Broadband Project in the Amount of \$1,120,408 from the California Advanced Services Fund**

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- This project will provide broadband services to 150 households and will provide safety benefits to the community as well as supplying public safety agencies in the area with an interconnected public safety data communications network.

### **ESTIMATED COST :**

- \$1,120,408.





## Regular Agenda – Energy Orders

### Item # 25 [15476] – Decision Granting Southern California Edison Company a Permit to Construct the Mesa 500-kV Substation Facility Project

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A15-03-003

In the Matter of the Application of Southern California Edison Company for a Permit to Construct Electrical Substation Facilities with Voltage over 50 kV: Mesa 500 kV Substation Project.

***Ratesetting***

**Comr Randolph - Judge Kelly**

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#### **PROPOSED OUTCOME :**

- Grants Southern California Edison Company (SCE) a permit to construct the Mesa 500 kV Substation Facility Project within the City of Monterey Park.
- Requires SCE to comply with the mitigation measures identified in the Mitigation Monitoring, Reporting and Compliance Plan.
- The Environmental Impact Report for this project meets the requirements of the California Environmental Quality Act.
- Although the identified alternatives to the Mesa 500 kV Substation Facility are environmentally superior, they are not feasible.
- The benefits of the Mesa 500 kV Substation Facility override the identified environmental impacts.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS :**

- No safety concerns or considerations were raised during this proceeding.

#### **ESTIMATED COST :**

- The estimated cost to construct the Mesa Substation Project is \$561 Million.





# Commissioners' Reports





## Regular Agenda - Commissioner Reports

### Item # 28 [15500] – Commissioners Remarks on the Passing of Arthur H. Rosenfeld - "Godfather of Energy Efficiency"

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# Commissioners' Reports





# Management Reports





# Regular Agenda – Management Reports and Resolutions

**Item # 29 [15448]**

## Report and Discussion on Recent Consumer Protection and Safety Activities

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# 2017 Safety Action Plan Update

California Public Utilities Commission  
February 9, 2017

Liza Malashenko – Director, Safety & Enforcement  
Marzia Zafar - Director, Policy & Planning





# Safety Action Plan

- ❑ In July 2014 the Commission adopted a Safety Policy Statement.

“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.”

- ❑ The *Regulatory Strategy* that has guided us contains 4 pillars:
  - ❖ **Safety Compliance & Enforcement:** Audit, investigation and penalty assessment activities
  - ❖ **Safety Policy:** Commission decision-making and development of rules and regulations
  - ❖ **Risk Management:** Risk assessment and risk mitigation strategies
  - ❖ **Safety Promotion:** Communication, collaboration and outreach
- ❑ The **2015** Safety Action Plan consisted of 12 Deliverables which were focused on improvements to the Commission’s Safety and Enforcement Division (SED).
- ❑ The **2016** Safety Action Plan with nine new Action Items focused on improvements to the rest of the organization.
- ❑ This **2017** Update is intended to leverage our implementation of existing laws, rules, general orders, and regulations to ensure that regulations are up to date and effective in order to reduce the risk of the next incident.



Jan

Safety Compliance & Enforcement

Enforcement Performance Internal Reporting #1

Feb

Safety Compliance & Enforcement

Enforcement IT Needs Assessment #3

March

Risk Management

Emergency Response Process #4

April

Safety Policy

Advocacy/Advisory Implementation Plan #5

May

Safety Promotion

Safety PU Codes & General Orders #2

June

Safety Compliance & Enforcement

Enforcement Document Standards Review #6

July

Risk Management

Staff "Safety Flag" System #7

Aug

Safety Compliance & Enforcement

Enforcement Policy #8

Sep

Safety Policy

Rules of Practice and Procedure Stakeholder Process #9

Oct

Safety Promotion

Safety En Banc #11

Nov

Risk Management

Cyber Security Team #10

Dec

Safety Compliance & Enforcement

Safety Website Update Completion #12

\* 2015  
**Safety Action  
 Plan Deliverables**



# 2016 Update Safety Action Plan *Nine Action Items*

**Safety Policy**  
**Utility Pole En Banc**  
Lead: Director,  
Policy & Planning  
Division



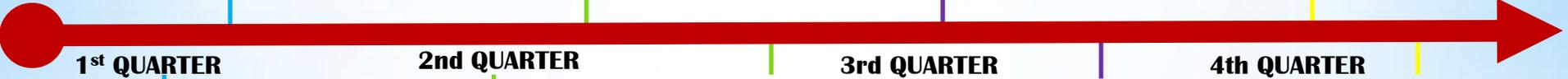
**Risk Management**  
**Staff Reports on Safety-  
Related Expenditures**  
Lead: Director,  
Energy Division



**Safety Policy**  
**Administrative Law  
Judge Training**  
Lead: Chief ALJ,  
Administrative Law  
Judge Division



**Safety Promotion**  
**Advanced Safety  
Seminar**  
Lead: Executive  
Division

**Risk Management**  
**Safety Review in  
General Rate Cases**  
Lead: Director,  
Safety &  
Enforcement  
Division



**Safety Promotion**  
**Safety Intervenor  
Workshop**  
Lead: Director,  
News & Outreach



**Safety Compliance &  
Enforcement**  
**Reorganization of Safety  
& Enforcement Division**  
Lead: Dep. Director,  
Administrative  
Services



**Safety Policy**  
**Industry Division Staff  
Training**  
Lead: Directors,  
Communications  
& Water Divisions



**Safety Promotion**  
**Building Strong Safety Capacity  
through Collaboration &  
Coordination with Other State  
Agencies**  
Lead: Director,  
Safety &  
Enforcement Division





Risk Management  
Cyber Security Team #3

Safety Promotion & Risk Management  
Safety Reporting System #4

Safety Compliance & Enforcement  
Utility Pole Management #2

Safety Policy  
Periodic Safety Rulemaking #1

Safety Promotion  
Safety En Banc

# 2017 Safety Action Plan Deliverables



# Regular Agenda – Management Reports and Resolutions

**Item # 29 [15448]**

## Report and Discussion on Recent Consumer Protection and Safety Activities

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# Regular Agenda – Management Reports and Resolutions

**Item # 30 [15449]**

## **Management Report on Administrative Activities**

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# Employee Recognition of CPUC Employees



**Timothy J. Sullivan**  
*Executive Director*

**California Public Utilities Commission**

February 9, 2017



## **- Employee of the Quarter – 4th Qtr. of 2016**

- Michael Minkus - Building Morale**
- Calvin Lee - Driving Innovation**
- Juliane Banks - Embodying Core Values**
- George Lau - Excelling at Customer Service**





# Regular Agenda – Management Reports and Resolutions

**Item # 30 [15449]**

## **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 in  
Memory of**

Arthur H. Rosenfeld  
"California's Godfather of Energy Efficiency"  
(1926 – 2017)

**The next Public Meeting will be:  
March 2, 2017 at 9:30 a.m.  
in Davis, CA**

