



CPUC Public Agenda 3418
Thursday, June 21, 2018 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





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.”





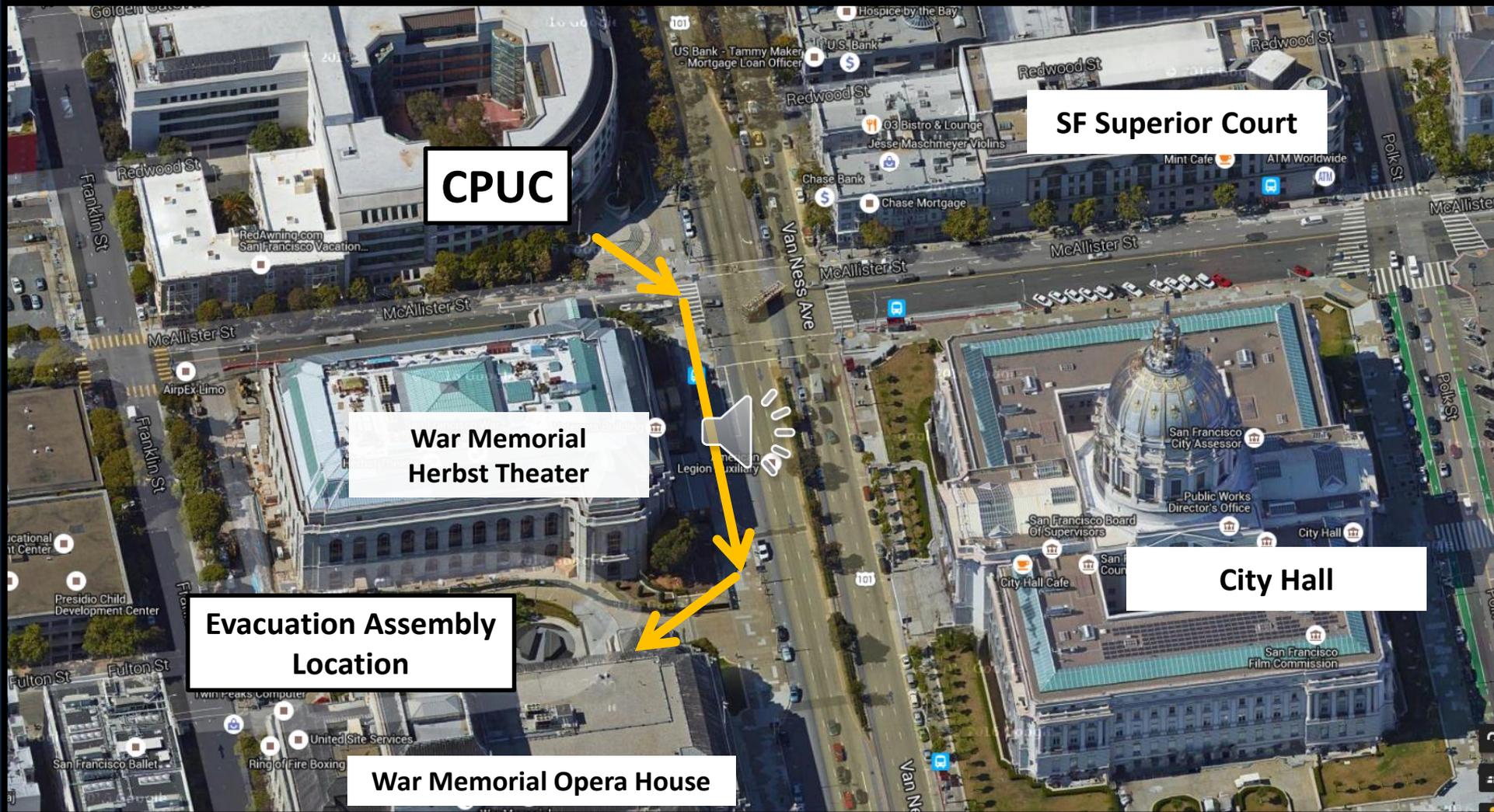
Emergency Evacuation

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:

- **33, 49, and 50**
- All items on the Closed Session Agenda





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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, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 31, 32, 35, 37, 38, 40, and 41.**
- 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 62** 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.
- **Items 26 and 61** have been withdrawn.
- The following items have been held to future Commission Meetings:
Held to 7/12/18: **2, 5, 17, 30, 33, 34, 36, 39, 42, 53, 54, 55, 56, 57, and 58.**





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.





Energy Orders

Item # 43 [16319] – Options to Promote Solar Distributed Generation in Disadvantaged Communities

R.14-07-002

Order Instituting Rulemaking to Develop a Successor to Existing Net Energy Metering Tariffs Pursuant to Public Utilities Code Section 2827.1, and to Address Other Issues Related to Net Energy Metering.

Ratesetting Comr Guzman Aceves - Judge Hecht - Judge Kao - Judge McKenzie

PROPOSED OUTCOME :

- Adopts program to provide incentives to encourage installation of solar generation on owner-occupied single-family homes in disadvantaged communities in the service territories of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company.
- Authorizes administration of the program by single state-wide program administrator to be chosen through a Request for Proposal process.
- Adopts a new Green Tariff Program that provides discounted access to renewable generation for low-income residential customers in disadvantaged communities.
- Rulemaking 14-07-002 remains open.

SAFETY CONSIDERATIONS :

- This decision does not order any action related to safety.

ESTIMATED COST :

- \$10 million per year for the Disadvantaged Communities - Single-family Solar Home program, and an undetermined amount for a discounted Green Tariff program in disadvantaged communities.





Regular Agenda- Energy Orders (continued)

Item # 43A [16320] – Commissioner Guzman Aceves' Alternate to Item 16319

R.14-07-002

Order Instituting Rulemaking to Develop a Successor to Existing Net Energy Metering Tariffs Pursuant to Public Utilities Code Section 2827.1, and to Address Other Issues Related to Net Energy Metering.

Ratesetting

Comr Guzman-Aceves

PROPOSED OUTCOME :

- Adopts program to provide incentives to encourage installation of solar generation on owner-occupied single-family homes in disadvantaged communities in the service territories of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company.
- Authorizes administration of the program by single state-wide program administrator to be chosen through a Request for Proposal process.
- Adopts a new Green Tariff Program that provides discounted access to renewable generation for low-income residential customers in disadvantaged communities.
- Adopts a new Community Solar program to allow primarily low-income customers in top 5% disadvantaged communities to directly benefit from the development of solar generation projects located in their own communities or nearby disadvantaged communities.

SAFETY CONSIDERATIONS :

- This decision does not order any action related to safety.

ESTIMATED COST :

- \$10 million per year for the Disadvantage Communities - Single-family Solar Home program, and an undetermined amount for discounted Green Tariff and Community Solar programs in disadvantaged communities.





Regular Agenda- Energy Orders (continued)

Item # 44 [16486] – San Diego Gas & Electric Company and Southern California Gas Company's Proposed Certificate of Public Convenience and Necessity for the Proposed Gas Pipeline 3602

A.15-09-013

In the Matter of the Application of San Diego Gas & Electric Company and Southern California Gas Company for a Certificate of Public Convenience and Necessity for the Pipeline Safety & Reliability Project.

Ratesetting

Comr Randolph - Judge Kersten

PROPOSED OUTCOME:

- Denies San Diego Gas and Electric Company and Southern California Gas Company's Application for the following:
- Certificate of Public Convenience and Necessity for the Proposed "Pipeline Safety and Reliability Project" (Gas Pipeline 3602);
- Reclassification of Gas Pipeline 1600 from transmission service to distribution service and associated decrease of operating pressure from 512 pounds per square inch gauge (psig) to 320 psig; and
- Redefinition of the existing California Public Utilities Commission's Reliability Criterion consistent with Decision 06-09-039.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- Allows the Commission to continue to fulfill its duties under Pub. Util. Code § 451, including to take all actions necessary to promote the safety, health, comfort, and convenience of utility patrons, employees, and the public.

ESTIMATED COST:

- Unknown costs associated with independent Line 1600 records audit.





Regular Agenda- Energy Orders (continued)

Item # 45 [16524] – Pacific Gas and Electric Company's Request to Establish an Ongoing Wildfire Expense Memorandum Account

A.17-07-011

Application of Pacific Gas and Electric Company for Authority to Establish the Wildfire Expense Memorandum Account.

Ratesetting

Comr Randolph - Judge Allen

PROPOSED OUTCOME:

- Grants Pacific Gas and Electric Company's request for an ongoing Wildfire Expense Memorandum Account for incremental costs.
- Application 17-07-011 is closed.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.





Regular Agenda- Energy Orders (continued)

Item # 45A [16525] – Commissioner Randolph's Alternate to Item 16524

A.17-07-011

Application of Pacific Gas and Electric Company for Authority to Establish the Wildfire Expense Memorandum Account.

Ratesetting

Comr Randolph

PROPOSED OUTCOME:

- Grants Pacific Gas and Electric Company's request for ongoing Wildfire Expense Memorandum Account for incremental costs.
- Effective date of the memorandum account is the date the instant application was filed.
- Application 17-07-011 is closed.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.





Regular Agenda- Energy Orders (continued)

Item # 46 [16544] – Rulemaking Regarding 2019 Electric Resource Adequacy Procurement Program

R.17-09-020

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years.

Ratesetting

Comr Randolph - Judge Allen - Judge Chiv

PROPOSED OUTCOME:

- Adopts a total local capacity requirement of 25244 megawatt (MW) and an existing local capacity requirement of 24604 MW for 2019. Establishes a process for adoption of a flexible capacity requirement for 2019. Modifies details of the Resource Adequacy program.

SAFETY CONSIDERATIONS:

- No direct safety impacts.

ESTIMATED COST:

- No direct costs to ratepayers.





Regular Agenda- Energy Orders (continued)

Item # 47 [16559] – Addresses the Flexible Capacity Requirements for 2019 for Commission-Jurisdictional Electric Load-Serving Entities

R.17-09-020

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years.

Ratesetting

Comr Randolph - Judge Allen - Judge Chiv

PROPOSED OUTCOME:

- Adopts flexible capacity requirements for 2019 applicable to Commission-jurisdictional electric load-serving entities.
- Rulemaking 17-09-020 remains open.

SAFETY CONSIDERATIONS:

- May indirectly enhance safety by supporting system reliability.

ESTIMATED COST:

- There are no costs associated with this decision.





Regular Agenda- Communication Orders

Item # 48 [16536] – California Advanced Services Fund Broadband Adoption, Public Housing, and Loan Accounts Provisions

R12-10-012

Order Instituting Rulemaking to Consider Modifications to the California Advanced Services Fund.

Quasi-Legislative

Comr Guzman Aceves - Judge Colbert

PROPOSED OUTCOME:

- Adopts programmatic changes to the California Advanced Services Fund program effective July 1, 2018.

SAFETY CONSIDERATIONS:

- There are no safety considerations related to this decision.

ESTIMATED COST:

- Not identified.





Regular Agenda- Orders Extending Statutory Deadline

Item # 49 [16580] – Order Extending Statutory Deadline

I.15-11-015

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 statutory deadline for completion of this proceeding until June 29, 2019.

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 # 50 [16581] – Order Extending Statutory Deadline

I.16-06-010

Order Instituting Investigation on the Commission's Own Motion into the Fatal Accident on the Bay Area Rapid Transit District's Line between the Walnut Creek and Pleasant Hill Stations in the County of Contra Costa, California on October 19, 2013.

Adjudicatory

Comr Randolph - Judge Kim

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until September 24, 2018.

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 # 51 [16583] – Order Extending Statutory Deadline

A15-09-013

In the Matter of the Application of San Diego Gas & Electric Company and Southern California Gas Company for a Certificate of Public Convenience and Necessity for the Pipeline Safety & Reliability Project.

Ratesetting

Comr Randolph - Judge Kersten

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until September 21, 2018.

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 # 52 [16585] – Order Extending Statutory Deadline

A.16-04-006

Application of CereTel Incorporated for Registration as an Interexchange Carrier Telephone Corporation pursuant to the Provisions of Public Utilities Code Section 1013.

Ratesetting

Comr Peterman - Judge Chiv

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until December 29, 2018.

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

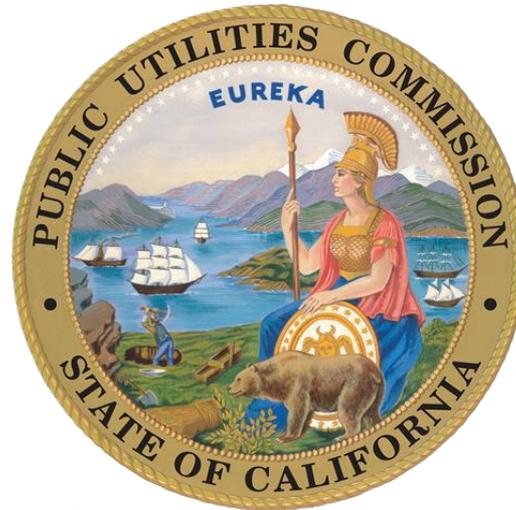
Item # 59 [16564]

Report and Discussion on Recent Consumer Protection and Safety Activities





Payphone Enforcement Program



Jeff Kasmar

Program and Project Supervisor

Utility Enforcement Branch

Consumer Protection and Enforcement Division

June 21, 2018





Payphone Enforcement Program

- **Regulatory background**
- **Payphones remain important**
- **What inspectors check for**
- **Inspection results**
- **Recent legislation on payphones**
- **Phone issues in detention centers**





Regulatory Background

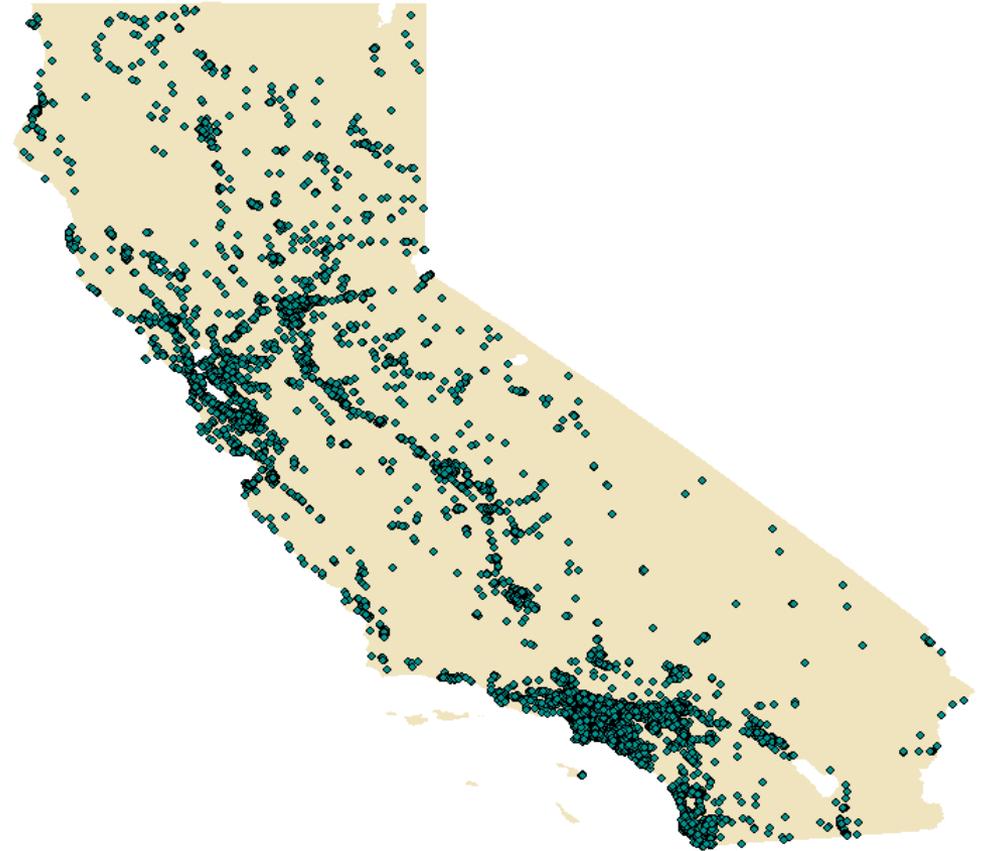
- **D.90-06-018 (1990) established:**
 - **Public Policy Payphone Program**
 - **Payphone Enforcement Program**
 - **Payphone Service Providers Committee**
- **D.08-06-020 (2008):**
 - **Eliminated original Public Policy Payphone Program**
 - **Combined duties of the Payphone Enforcement Program with existing enforcement activities**
- **PU Codes remain in place that require us to enforce operating requirements for payphones**
 - **PU Code Sections 741 and 742**





Payphones Remain Important

- 3 staff perform risk-based targeted inspections of ~ 22,000 payphones
- Concentrated in: LA Basin, SF Bay Area, I-5 Corridor
- Important communication mode for certain locations such as airports, inner cities, schools, hotels, and low income areas
- Provide access to essential and safety-related services:
 - Basic communication
 - Long distance services
 - 211 – Community Services
 - 411 – Information
 - 711 – Hearing Impaired
 - 911 – Emergency





Payphone Inspection Process

- **Each inspector establishes risk-based weekly targets, such as low income areas, areas with recent fires, areas with high usage, and phones with frequent violations**
- **Each inspector checks approximately 10-20 payphones per day**
- **When violations are found, inspectors send violation notices to payphone owners**
- **Inspectors re-inspect to ensure compliance**





Scope of Inspections

Inspectors check for:

- **Proper signage, including name and toll-free number of operator-assisted service provider, local call rates, refund number, etc.**
- **Physical safety at the phone booth – presence of broken glass, protruding wires, etc.**
- **Connectivity - perform dial checks to ensure:**
 - **911 connectivity – most important safety check**
 - **Connectivity to 211, 411, 711**
 - **Operator calls can be made to anywhere in the state**
 - **Caller gets the correct Operator Service Provider**
 - **Toll-free numbers are in fact toll-free**
 - **Access numbers to major calling cards work**
 - **Collect calls can be made**
 - **Calls can be made to other area codes**





Inspection Results

- **Approximately 75% of violations are found to be corrected upon first re-inspection; the rest are largely corrected after subsequent inspections**
- **Payphone owners comply, in part because of profit incentive from functioning payphones**





Example of payphones:

- In full working order with proper signage
- In poor shape and posing public hazard





Other Related Activities

- **Keep the payphone database up to date**
- **Provide information on how to have unwanted payphones removed**
- **Resolve complaints - approximately 30 a year received directly from consumers or forwarded by CAB:**
 - **Requesting refunds**
 - **Reporting defective phones**
 - **Requesting information from our database (e.g., owner contact info, payphone location)**





Recent Legislation on Payphones

Senate Bill 50, effective January 1, 2015:

- Requires rate disclosure on calls charged to a card
- Broadens the application of disclosure and operating requirements to payphones accepting *all forms of payment* (prior language referred to coin-activated payphones)





Phone Issues in Detention Centers

Concerns of Federal and State Agencies

- **Federal:** The Office of Inspector General, Department of Homeland Security, issued a report on March 6, 2017 on issues requiring immediate action at the Theo Lacy Facility in Orange, CA. Among the issues identified were inoperable phones within the facilities.
- **State:** In June 2017, Attorney General Xavier Becerra and Senator Ricardo Lara (D-Bell Gardens) announced that the California Department of Justice (DOJ) will begin reviewing the conditions under which immigrants are detained in California while they await immigration hearings.
 - In developing a protocol for their review of the facilities, including phone access, staff from the Office of the Attorney General met with UEB staff on December 1, 2017
 - Preliminary assessment points to a limited role for payphone inspectors
 - DOJ's report is due by March 2019





A Peek Into Payphones in Detention Centers

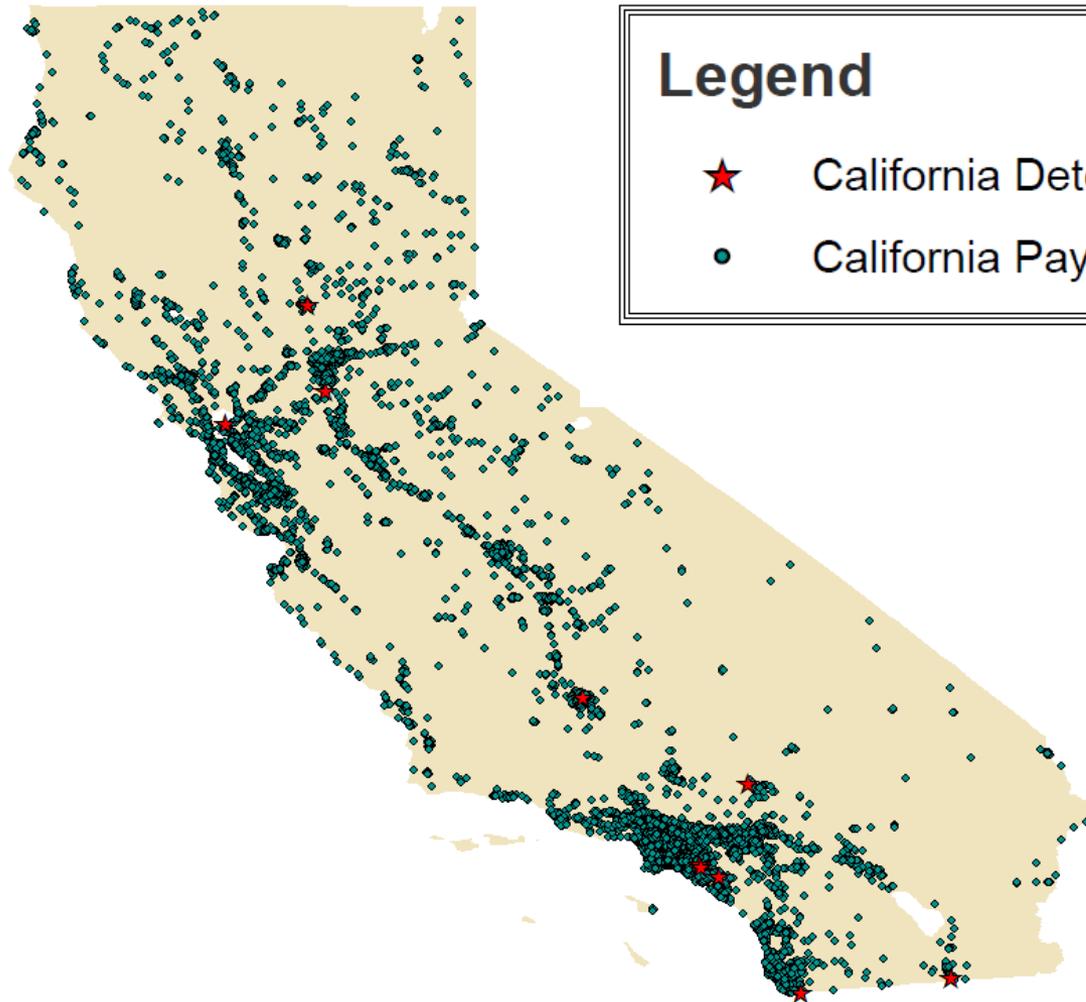
PU Code 742(a) states: “The commission shall, by rule or order, adopt and enforce operating requirements for telephones available for public use that accept any form of payment...”

- UEB can inspect payphones that are available for public use in detention centers
- UEB does not inspect phones that are available only to detainees and are not for public use
- UEB visited two detention centers and observed the following:
 - Only a few traditional payphones in the external lobby are for public use, which were in good working order.
 - Detainees are generally not allowed to use these public payphones. Instead, detainees use internal phones that are monitored by the center and programmed to allow only the dialing of specific numbers.





Immigration Detention Centers in California



Legend

- ★ California Detention Centers
- California Payphones





Regular Agenda – Management Reports and Resolutions

Item # 59 [16564]

Report and Discussion on Recent Consumer Protection and Safety Activities





Management Reports





The CPUC Thanks You For Attending Today's Meeting

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

**July 12, 2018 at 9:30 a.m.
in San Francisco, CA**

