

CPUC Public Agenda 3499

Thursday, December 16, 2021, 10:00 a.m.
Remote Presentation

Commissioners:

Marybel Batjer, President
Martha Guzman Aceves
Clifford Rechtschaffen
Genevieve Shiroma
Darcie L. Houck

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California Public
Utilities Commission

CPUC Mission

We Empower California through:

- Assuring utility services are clean and safe.
- Providing for critical services and infrastructure.
- Designing rates that are fair and reasonable.
- Protecting the interests of consumers and ratepayers

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 call in to toll-free number:



1-800-857-1917

Passcode: 9899501

- ***Para escuchar esta reunión en español, por favor llame: (800) 857-1917, código de acceso: 3799627.***
- Once called, each speaker has up to 1 minute at the discretion of the Commission President.
- A bell will ring when time has expired.
- Public Comment is not permitted on the following items:
 - 2, 27, 47, 51
 - 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, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 34, 35, 36, 37, 38, 39, 40, 41, 42 and 43.
- 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.
- **Item 21** has been moved to the Regular Agenda.
- **Item 44** has been withdrawn.
- The following items have been held to future Commission Meetings:
 - **Held to 1/13/22: 2, 32, 33**

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 Virtual Escutia Table.

Regular Agenda | Energy Resolutions

Item #21 [20087] – Southern California Edison Company's Emergency Reliability Engineering, Procurement, Construction, and Maintenance Contract for Utility-Owned Storage Resources

Res E-5183

Advice Letter 4617-E filed October 21, 2021

PROPOSED OUTCOME:

- Approves Southern California Edison Company's Emergency Reliability Engineering, Procurement, Construction, and Maintenance Contract for 535.7 Megawatts of Utility-Owned Storage.
- Finds that the projects do not require a Certificate of Public Convenience and Necessity or Permit to Construct to be issued from the Commission.

SAFETY CONSIDERATIONS:

- The Emergency Reliability Engineering, Procurement, Construction, and Maintenance agreement contains detailed safety provisions.

ESTIMATED COST:

- The estimated total cost of this contract is \$1.226 billion.

Resolution E-5183: Southern California Edison Request for Approval of Emergency Reliability Contract for Three Utility-Owned Storage Resources

Energy Division

December 16, 2021



California Public
Utilities Commission

Background

- Summer Reliability Proceeding Decisions D.21-02-028 and D.21-03-056 directed the IOUs to procure capacity to serve peak and net peak demand in 2021 and 2022, with a preference for energy storage.
- Tier 2 Advice Letters required for Utility Owned Storage (UOS)
- To ensure reliable electric supply during extreme weather events, D.21-12-015 extends the emergency procurement period to 2023 and increases the contingency procurement target to 2,000-3,000 MW
- Governor Newsom's July 30, 2021, Emergency Proclamation requests that the Commission expedite actions and "work with the State's load serving entities on accelerating plans for...new clean energy and storage projects to mitigate the risk of capacity shortages and increase the availability of carbon-free energy at all times of day"

Advice Letter 4617-E

- SCE seeks approval of an Emergency Reliability Contract with Ameresco for 537.5 MW of lithium-ion UOS located at three SCE substations, at a cost of \$1.226 billion
- The three projects would meet 40% - 60% of SCE's share of the Summer Reliability proceeding target range of 2000-3000 MW.
- 15-year contract with online date of August 1, 2022
- UOS will serve as load-modifying distribution system resources for approximately 5 years, until the projects receive their Wholesale Distribution Access Tariff interconnection into the CAISO system.

Protests

- Sixteen parties filed protests or replies
- Main Concerns:
 - “Cutting WDAT queue” and crowding out third party projects
 - Opposition to CEQA exemption
 - Cost
 - Viability

Resolution E-5183

- Approves contract
- SCE is leveraging unique position to bring projects online quickly as distribution assets, but not inappropriate under the circumstances and projects are not cutting the CAISO queue
- There are additional opportunities for third party contracts with SCE
- SCE is taking reasonable steps to mitigate impacts to third-party projects such as substation upgrades that increase available capacity
- CEQA exemption for “actions necessary to prevent or mitigate an emergency” applies
- Cost is reasonable given the very expedited development timeline
- Appropriate to recover costs through distribution rates initially and then through CAM once projects are interconnected to CAISO system
- Not eligible for mid-term reliability

Regular Agenda | Energy Resolutions

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SAFETY CONSIDERATIONS:

- The Emergency Reliability Engineering, Procurement, Construction, and Maintenance agreement contains detailed safety provisions.

ESTIMATED COST:

- The estimated total cost of this contract is \$1.226 billion.

Regular Agenda | Other Utility Orders

Item #45 [20012] – Addressing Administrative Consent Order and Agreement of the Safety and Enforcement Division and Southern California Edison Company Regarding the 2017/2018 Southern California Fires Pursuant to Resolution M-4846

Res SED-5

PROPOSED OUTCOME:

- Approves an Administrative Consent Order and Agreement between the Commission's Safety and Enforcement Division (SED) and Southern California Edison Company (SCE) to resolve all issues involving the 2017 Liberty, Rye, Meyers, and Thomas Fires and the 2018 Woolsey Fire (collectively, the 2017/2018 Southern California Fires).

SAFETY CONSIDERATIONS:

- Pursuant to the Administrative Consent Order and Agreement, SCE agrees to commit shareholder funds to Safety Measures, defined as a combination of system enhancements, community engagement and protection initiatives to protect against future harm to the environment, ecosystem, and natural resources, funding for CPUC regulatory safety program enhancements, and financial contributions to fire safety-focused non-profit organizations.

ESTIMATED COST:

- Pursuant to the Administrative Consent Order and Agreement, SCE agrees to fines, safety measures and disallowances totaling \$550,000,000.

Regular Agenda | Orders Extending Statutory Deadline

Item #46 [20052] – Order Extending Statutory Deadline

A.09-09-022

In the Matter of the Application of Southern California Edison Company for a Certificate of Public Convenience and Necessity for the Alberhill System Project.

Ratesetting

Comr. Guzman Aceves - Judge Yacknin

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until December 19, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #47 [20118] – Order Extending Statutory Deadline

I.19-06-016

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Southern California Gas Company with Respect to the Aliso Canyon storage facility and the release of natural gas, and Order to Show Cause Why Southern California Gas Company Should Not Be Sanctioned for Allowing the Uncontrolled Release of Natural Gas from its Aliso Canyon Storage Facility.

Adjudicatory

Comr. Rechtschaffen - Judge Hecht - Judge Poirier

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until December 31, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #48 [20119] – Order Extending Statutory Deadline

I.19-06-014

Order Instituting Investigation on the Commission's Own Motion to Determine Whether Southern California Gas Company's and Sempra Energy's Organizational Culture and Governance Prioritize Safety.

Adjudicatory

Comr. Rechtschaffen - Judge Hecht

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until December 31, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #49 [20120] – Order Extending Statutory Deadline

A.20-06-013

Application of Pacific Gas and Electric Company for Commission Approval Under Public Utilities Code Section 851 to Sell Certain Surplus Real Property.

Ratesetting

Comr. Guzman Aceves - Judge Kao

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until July 1, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 [20122] – Order Extending Statutory Deadline

A.20-07-003

Application of San Diego Gas & Electric Company for Recovery of Under collection Recorded in the Tree Trimming Balancing Account.

Ratesetting

Comr. Batjer - Judge Lau

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until June 30, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 [20123] – Order Extending Statutory Deadline

C.20-12-017

FCTC Senior, LP. vs. Bakman Water Company.

Adjudicatory

Comr. Houck - Judge Nojan - Judge Toy

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until June 16, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 [20125] – Order Extending Statutory Deadline

A.20-06-010

In the Matter of the Application of Crimson California Pipeline L.P. (PLC-26) for Authority to Increase Rates for Its Crude Oil Pipeline Services (Southern California).

Ratesetting

Comr. Houck - Judge McGary

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until May 31, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #53 [20126] – Order Extending Statutory Deadline

A.20-06-009

In the Matter of the Application of Crimson California Pipeline L.P. (PLC-26) for Authority to Increase Rates for Its Crude Oil Pipeline Services.

Ratesetting

Comr. Houck - Judge McGary

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until May 31, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #54 [20129] – Order Extending Statutory Deadline

A.20-06-011

Application of Pacific Gas and Electric Company for Approval of Regionalization Proposal.

Ratesetting

Comr. Batjer - Judge Stevens

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until June 30, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #55 [20133] – Order Extending Statutory Deadline

R.18-07-003

Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.

Ratesetting

Comr. Rechtschaffen - Judge Lakharpal - Judge Sisto

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until September 30, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #56 [20136] – Order Extending Statutory Deadline

A.20-06-012

Application of Pacific Gas and Electric Company to Submit Its 2020 Risk Assessment and Mitigation Phase Report.

Ratesetting

Comr. Rechtschaffen - Judge Lirag

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until March 30, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #57 [20137] – Order Extending Statutory Deadline

A.20-04-017

Joint Application of California-American Water Company and Warring Water Service, Inc. for an Order Authorizing Warring Water Service, Inc. to Sell and California-American Water to Purchase the Water Utility Assets of Warring Water Service, Inc.

Ratesetting

Comr. Guzman Aceves - Judge Watts-Zagha

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until June 27, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #58 [20168] – Order Extending Statutory Deadline

R.18-10-007

Order Instituting Rulemaking to Implement Electric Utility Wildfire Mitigation Plans Pursuant to Senate Bill 901 (2018).

Ratesetting

Comr. Batjer - Judge Fogel

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until March 31, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #59 [20173] – Order Extending Statutory Deadline

A.18-03-009

Joint Application of Southern California Edison Company and San Diego Gas & Electric Company for the 2018 Nuclear Decommissioning Cost Triennial Proceeding.

Ratesetting

Comr. Batjer - Judge Haga

PROPOSED OUTCOME:

- Extends Statutory deadline for completion of this proceeding until March 22, 2022.

SAFETY CONSIDERATIONS:

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

ESTIMATED COST:

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

Management Reports



Item #62 [20140]

Management Report on Administrative Activities

Commissioners' Reports



Commissioner
Martha Guzman Aceves



Commissioner
Clifford Rechtschaffen



President
Marybel Batjer



Commissioner
Genevieve Shiroma



Commissioner
Darcie L. Houck

The CPUC thanks you for participating in today's meeting

The next Public Meeting will be:

January 13, 2022

10:00 a.m.

remote





California Public Utilities Commission

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