

CPUC Public Agenda 3487

Thursday, June 3, 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

- 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 bell will ring when time has expired.
- Public Comment is not permitted on the following items:
 - All items on the Closed Session Agenda
 - 18, 31

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, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22 and 23.
- 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 32** 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 6/24/21: 6 and 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 Orders

Item #24 [19398] Electric Rule 20 and Enhancing Program Oversight

R.17-05-010

Order Instituting Rulemaking to Consider Revisions to Electric Rule 20 and Related Matters.

Quasi-Legislative

Comr. Batjer - Judge Wang

PROPOSED OUTCOME:

- Revises Phase 1 decision on Electric Rule 20 as follows: (a) discontinues new work credit allocations for Electric Rule 20A projects, (b) clarifies Electric Rule 20A project eligibility criteria and work credit transfer rules, and (c) enhances program oversight.
- Extends the statutory deadline to consider additional changes to the Electric Rule 20 program.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this order.

ESTIMATED COST:

- There are no estimated costs associated with this order.

Regular Agenda | Energy Orders (continued)

Item #25 [19436] Review of the 2019 Public Safety Power Shut Off Events by Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company

I.19-11-013

Order Instituting Investigation on the Commission's Own Motion on the Late 2019 Public Safety Power Shutoff Events.

Ratesetting

Comr. Batjer - Judge DeAngelis

PROPOSED OUTCOME:

- Finds that Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) failed, in certain respects, to reasonably comply with the Commission's Public Safety Power Shut Offs (PSPS) Guidelines found in Decision 19-05-042, Resolution ESRB-8, and other applicable laws, rules, and regulations and, thereby, failed to promote safety, as required by Public Utilities Code § 451.
- Adopts a future rate disallowance and corrective actions for PG&E, SCE, and SDG&E in response to the failure to reasonably comply with laws, rules, and regulations under the Commission's PSPS Guidelines and § 451 of the Public Utilities Code.
- Defers certain matters pertaining to the development of the PSPS Guidelines to Rulemaking 18-12-005.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- This decision includes measures to enforce utility compliance with the Commission's PSPS Guidelines, which are designed to mitigate the potential for wildfire caused by utility infrastructure.

ESTIMATED COST:

- Costs related to the Commission directives herein are evaluated for reasonableness in separate Commission proceedings.

Regular Agenda | Energy Orders (continued)

Item #26 [19443] Energy Savings Assistance, California Alternate Rates for Energy and Family Electric Rate Assistance Programs for 2021-2026.

A.19-11-003, A.19-11-004, A.19-11-005, A.19-11-006, A.19-11-007 - Related matters.

Application of Pacific Gas and Electric Company for Approval of Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for 2021-2026 Program Years.

Ratesetting

Comr. Shiroma - Judge Tran

PROPOSED OUTCOME:

- Approves budgets and program rules for the Energy Savings Assistance (ESA), California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- Approximately \$11 billion in funding for the CARE, FERA and ESA programs for program years 2021 - 2026.

Regular Agenda | Orders Extending Statutory Deadline

Item #27 [19485] – Order Extending Statutory Deadline

A.18-06-008

Application of the Metro Gold Line Foothill Extension Construction Authority for an order authorizing construction of two light rail tracks, and alteration of two commuter rail tracks at the College Avenue highway-rail crossing in the City of Claremont, Los Angeles County.

Ratesetting

Comr. Houck - Judge Goldberg

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until December 31, 2021.

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 #28 [19486] – Order Extending Statutory Deadline

A.18-06-004

Application of Pacific Gas and Electric Company, a California corporation, for a Permit to Construct the Vierra Reinforcement Project Pursuant to General Order 131-D.

Ratesetting

Comr. Rechtschaffen - Judge DeAngelis

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until September 6, 2021.

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 #29 [19497] – Order Extending Statutory Deadline

A.19-12-002

Application of San Jose Water Company for Approval of Cost Recovery for Advanced Metering infrastructure.

Ratesetting

Comr. Houck - Judge Glegola

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until December 6, 2021.

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 #30 [19498] – 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 October 22, 2021.

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 #31 [19521] – Order Extending Statutory Deadline

C.19-04-005

Fred Sahadi, individually and as Trustee of the Fred Sahadi Revocable Living Trust vs. San Jose Water Company.

Adjudicatory

Comr. Houck - Judge Ferguson

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until October 8, 2021.

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 - Legal Division Matters (continued)

Item #34 [19500]

Federal Communications Commission, In the Matter of Rates for Inmate Calling Services, Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking

WC Docket No.12-375

On April 29, 2021, the Federal Communications Commission (FCC) released a Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking (NPRM). The Order on Reconsideration would reaffirm the FCC's finding in a 2020 decision that the jurisdictional nature of a telephone call depends on the physical location of the originating and terminating endpoints of the call. The NPRM seeks comment on issues including the provision of communications services to incarcerated individuals with disabilities; adoption of permanent interstate and international rate caps; and reform of site commission payments and ancillary service charges rules. Staff seeks authority to file comments in this docket. The due date for comments will be 30 days after publication in the Federal Register.

Management Reports



Management Reports and Resolutions

Item #36 [19494]

SED Oversight of Actions Resulting from Pacific Gas and Electric Company 2020 Locate and Mark Settlement

Safety & Enforcement Division (SED) Oversight of Actions Resulting from PG&E 2020 Locate and Mark Settlement

Pacific Gas and Electric (PG&E) Locate and Mark Settlement
(I.18-12-007)

Safety and Enforcement Division update
June 3, 2021



California Public
Utilities Commission

Overview

- What is a Locate and Mark (L&M) Program?
- What is a Late L&M Ticket?
- Order Instituting Investigation (OII) Timeline
- OII Findings of Fact
- OII Decision and Settlement
- PG&E Implementation of System Enhancement Initiatives
- SED Oversight of System Enhancement Initiatives

What is a Locate and Mark (L&M) Program?

The L&M Program activities are required under 49 CFR Part 192.614 and California Government Code (CGC), Section 4216.

Objectives:

- Responding to requests to locate and mark subsurface installation
- Educating the public about the existence of the 811 Program
- Protecting the public from excavation damage-related incidents

What is a Late L&M Ticket?

- Unless the excavator and operator mutually agree to a later start date and time, an operator shall do one of the following within two working days:
 1. Locate and field mark within the area delineated for excavation
 2. Provide information to an excavator where the operator's active or inactive subsurface installations are located.
 3. Advise the excavator it operates no subsurface installations in the area delineated for excavation.
- Failure to do so will constitute a Late L&M Ticket.

Full CGC 4216 found here: <https://digalert.org/calaw-full>

Order Instituting Investigation (OII) Timeline

- On April 28, 2016, the Pipeline and Hazardous Materials Safety Administration (PHMSA), notified SED that PG&E had possibly falsified many of its locate and mark records.
- As a result, SED conducted a pre-formal investigation, which included Examinations Under Oath, data requests, extensive communications with PG&E, and review of PG&E internal reports.
- On May 2, 2018, PG&E sent a letter (May 2 letter) to SED's Director attaching an investigative report written by a consultant retained by PG&E which included certain facts and conclusions about the extent of inaccuracies in PG&E's late tickets and the reasons for the inaccuracies.
- Based on its investigation, SED contended that PG&E falsified locate and mark tickets so that they would not appear "late".
- The Commission opened an OII (I.18-12-007) on December 13, 2018.

OII (I.18-12-007) Findings of Fact

PG&E:

- Undercounted numerous late Locate and Mark (L&M) tickets over a period of years.
- Reported inaccurate counts of its late Locate and Mark tickets to the Commission.
- Failed to provide adequate Qualified Electrical Worker support for Locate and Mark activities over a period of years.

OII Decision and Settlement

- On February 20, 2020, CPUC approved a settlement (D.20-02-036) based on violations identified by SED, including
 - the existence of inaccurate tickets,
 - inaccurate reporting to the Commission
 - lack or delay of management response
 - inadequate QEW support for locate and mark duties.
- Settling Parties
 - PG&E
 - Coalition of California Utility Employees (CUE)
 - SED

OII Decision and Settlement

- Total penalty amount of \$110 million
 - \$66M in shareholder-funded gas and electric System Enhancement Initiatives
 - \$44M to the General Fund
- Compliance audit period of four years

PG&E Implementation of System Enhancement Initiatives (as of 4/21/21)

- L&M-Focused Proposals: 5 of 9 implemented

Item #	Proposal	Action
1	Ticket Timeliness Audits	SED selected One Call Concepts as the 3 rd Party consultant.
2	Locate and Mark Field Compliance Audits	SED selected ICQ Professionals as the 3 rd Party consultant.
4	Work Resource Model & Staffing Minimums	PG&E updated its Work Resource Model with current headcount of 293 full time employees and 35 contractors, exceeding the total minimum of 319.
5	PG&E will make a written request to USA North 811 and Dig Alert South to provide additional information to operators regarding 811 notifications including categorization of requests by homeowners, excavators, and farm or rural submissions.	PG&E submitted written request for information to Dig Alert and USA North 811.
9	National Utility Locating Contractors Association (NULCA) Requirements for Contract Locate & Mark Vendors	New vendors were identified through request for proposal (RFP) process and contracting is complete with two. 1 has NULCA accreditation and 1 is pending approval by NULCA.

PG&E Implementation of System Enhancement Initiatives (as of 4/21/21)

- Qualified Electric Worker (QEW)-Focused Proposals: 2 of 5 implemented

Item #	Proposal	Action
11	Update TD-5811P-1200 –Locating and Marking Subsurface (Underground Facilities), regarding electric locating requirements	PG&E updated its Training which is actively being used. PG&E delivered its materials to SED on 10/22/2020.
12	Develop training for locators to promote safe practices for all electric locating	PG&E developed and deployed training. PG&E delivered its materials to SED on 10/22/2020.

PG&E Implementation of System Enhancement Initiatives (as of 4/21/21)

- Enterprise-Wide Proposals: 7 of 7 implemented

Item #	Proposal	Action
15	PG&E will provide SED with information related to the Reach Every Employee (REE) program	This information is being collected and assessed for review and inclusion in the annual report.
16	PG&E will inform its employees through its Speak Up Now website and Speak Up Now App of options for raising safety concerns	Speak Up Now website and app are available and contain updated information.
17	PG&E will perform enhanced reviews of cultural surveys to identify potential risks to safety and issues related to falsification and proper record keeping	PG&E employees participated in the Bi-Annual Premier Survey, Supervisor Interviews on Integrity and Fraud, and the National Safety Council (NSC)/PG&E Safety Barometer. Key findings are expected to be available in mid-2021.
18	PG&E will hold leaders accountable for compliance with the Code of Conduct (COC)	Compliance and Ethics (C&E) has reviewed materials related to COC violations and documented data to support PG&E holding those in violation accountable.

PG&E Implementation of System Enhancement Initiatives (as of 4/21/21)

- Enterprise-Wide Proposals: 7 of 7 implemented

Item #	Proposal	Action
19	PG&E will include one module in the Code of Conduct that defines fraud and provides an emphasis on the need to maintain accurate records on updated Compliance & Ethics training to address how metrics can drive unintended consequences.	PG&E updated its training and delivered the materials to SED on 10/22/2020.
20	PG&E will provide training to its leaders on creating a safe environment for employees to raise safety concerns, appropriate responses when employees raise safety concerns, and how the pressures to meet metrics can drive unintended consequences.	PG&E provided training all leaders (supervisor & above) hired prior to 10/1/2020. PG&E delivered materials to SED on 10/23/2020.
21	Corrective Action Program and Compliance & Ethics Helpline Effectiveness Audit	Conger & Elsea began the 3 rd Party reviews of these programs.

PG&E Implementation of System Enhancement Initiatives (as of 4/21/21)

- Transparency and Visibility Measures: 2 of 7 implemented

Item #	Proposal	Action
25	PG&E shall cooperate with any SED request for an RCE or causal evaluation of a dig in.	PG&E will cooperate with any requests.
26	PG&E will provide SED with training materials developed pursuant to items 8, 11, 12, 19 & 20.	PG&E provided these materials to the SED on 10/22/2020.

SED Oversight of System Enhancement Initiatives

August 21, 2020

SED selected **Conger & Elsea** for the Compliance and Ethics Corrective Action Program Audit and approved its methodology

October 15, 2020

SED selected **One Call Concept (OCC)** for the Locate and Mark Compliance Audit

SED selected **ICQ Professionals** for the Locate and Mark Field Audit

January 13-14, 2021

SED reviewed and approved **OCC** and **ICQ's** proposed methodologies

February 4, 2021

SED approved PG&E's request from their 3rd Party consultant to solicit input from another external party (Exponent) to further develop their sampling methodology

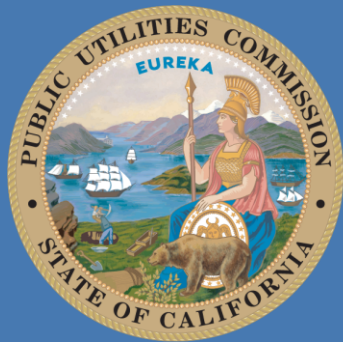
SED Oversight of System Enhancement Initiatives

April 21, 2021

- SED received PG&E's first Locate and Mark Annual Report in accordance with Commission Decision (D.) 20-02-036
- SED reviewed and cross-checked PG&E's compliance with its ordered Safety Enhancement Initiatives

Questions?





California Public Utilities Commission

Terence Eng, P.E.

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Safety and Enforcement Division

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Management Reports and Resolutions

Item #36 [19494]

SED Oversight of Actions Resulting from Pacific Gas and Electric Company 2020 Locate and Mark Settlement

Commissioners' Reports



Commissioner
Martha Guzman Aceves



Commissioner
Clifford Rechtschaffen



President
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Commissioner
Darcie L. Houck

The CPUC thanks you for
participating in today's meeting

The next Public Meeting will be:

June 24, 2021

10:00 a.m.

remote





California Public Utilities Commission

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