

CPUC Public Agenda 3542

Thursday, March 7, 2024, 11:00 a.m.

Commissioners:

Alice Reynolds, President

Darcie L. Houck

John Reynolds

Karen Douglas

Matthew Baker

www.cpuc.ca.gov



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 may comment in person at the Commission Meeting or may call in to the 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 1 minute at the discretion of the Commission President. If there are a large number of callers wishing to speak, the time limit may be changed to accommodate all callers.
- A bell will ring when time has expired.
- **Written comments on a specific proceeding can be submitted via the CPUC's docket card. Please visit www.cpuc.ca.gov/docket, input the proceeding number, then click on the public comment tab. You can also visit the Public Advisor's Office webpage at www.cpuc.ca.gov/pao for further information.**
- Public Comment is not permitted on the following items:
 - 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 1 are:
1, 6, 12, 15, 16, 17, 19, 21, 22, 25, 26, 27, 28, 29, 30, 31, and 53.
- Items on Today's Consent Agenda 2 are:
5, 8, 9, 10, 11, 14, 18, 20, 23, 24, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49 50, 51, 52, and 54.
- 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 2** has been withdrawn.
- **Items 3 and 13** have been moved to the Regular Agenda.
- The following items have been held to future Commission Meetings:
Held to 3/21/2024: 4, 7, 35, and 55.

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; or in paper format or via QR Code at the Commission Meeting site.

Regular Agenda | Orders and Resolutions

Item #3 [22054] – Proposal for the Senate Bill 884 Program

Res SPD-15

PROPOSED OUTCOME:

- Establish an expedited utility distribution infrastructure undergrounding program pursuant to Public Utilities Code § 8388.5.

SAFETY CONSIDERATIONS:

- Reduce utility caused wildfires and increase reliability by establishing an expedited utility distribution infrastructure undergrounding program.

ESTIMATED COST:

- None; no costs will be approved until an SB 884 Application is submitted for review and resolved.

Staff Resolution SPD-15

SB 884 Program: CPUC Guidelines



California Public
Utilities Commission

SB 884 Requires CPUC to Establish a New Expedited Undergrounding Program

- For undergrounding of **electric distribution equipment**
- Large IOUs voluntarily submit **10-year undergrounding plans**
- **Jointly implemented** with the **Office of Energy Infrastructure Safety**
- **Two-step review process**



- **Construction and monitoring** follows approval by both agencies

Program Design Has Benefited from Robust Stakeholder Engagement

- **Close coordination** between CPUC and Energy Safety staff
- **Joint agency workshop** in February 2023
 - ✓ written comments invited and received
- **Draft staff proposal** in September 2023
 - ✓ written comments invited and received
- **Revised staff proposal** and SPD-15 in November 2023
 - ✓ opening and reply comments
- Energy Safety **working group meetings** with stakeholders in November and December 2023

Ratepayers Benefit from Multiple Layers of Protection

- **Forecasted plan costs reviewed** in formal application process before the Commission
- **Stringent conditions on allowable costs** recorded in one-way balancing account, including:
 - Cap on annual costs
 - Unit cost limit (\$/mile)
 - Cost/benefit ratio limit
- **Multiple mechanisms for reducing costs to ratepayers**
 - Costs recorded in balancing account subject to periodic audits; any costs that do not meet the conditions of approval will be subject to refund
 - Third party funding must reduce costs to ratepayers
 - Savings from undergrounding on programs like vegetation management must be to benefit of ratepayers
- **Regular public reporting:** progress reports every 6 months; independent evaluations every year
- **Detailed GIS project data collection and reporting**

Regular Agenda | Orders and Resolutions

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ESTIMATED COST:

- None; no costs will be approved until an SB 884 Application is submitted for review and resolved.

Regular Agenda | Orders and Resolutions (continued)

Item #13 [22189] – Equity and Access Grant Program's Equity, Engagement, and Education Grant Account

Res M-4871

PROPOSED OUTCOME:

- Approves 8 applications for \$1,375,000 in funding from the Equity and Access Grant Program's Equity, Engagement, and Education Grant Account, which meet the AB 179 requirement to support Federal and California-recognized Native American Tribes and Community-Based Organizations that perform outreach regarding CPUC-related matters. 46 applications were reviewed and submitted from September 1 to October 31, 2023, according to criteria specified in Resolution M-4868. Two other grants were ministerially awarded by staff.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- \$1,375,000 from the Equity, Engagement, and Education Grant Account.

Moving Forward: Equity and Access Grant Program

March 7, 2024

Tyler Gamble
External Affairs Division



California Public
Utilities Commission

Equity, Engagement, and Education Account



- **Total Funding:** \$3,609,600
 - Tribal Reserve: \$277,662
- **Individual awards:** Up to \$200,000.
- **Activities in this category may include:**
 - Community outreach for CPUC proceedings.
 - Staffing for active participation in CPUC decisions.
 - Training on CPUC processes, proceedings, and programs.
 - Coalition-building to raise CPUC awareness in disadvantaged communities.

Equity, Engagement, and Education Account

- **Application Cycles**
 - 1st: September 8 – October 31, 2023
 - 2nd: May 1 – June 30, 2024
- **Promotion**
 - CPUC-owned channels (Website, Social Media, Email, Newsletters, Webinar)
 - State, CBO, & Tribal partners



Results show strong interest in partnering with CPUC

46

Applications received

19

Counties represented

\$8.9M

Requested

10 Awardees in the First Cycle

Awarded Ministerially

Organization	Award Amount
Climate Action Campaign	\$148,257
California Forward	\$146,000

Awarded via Resolution

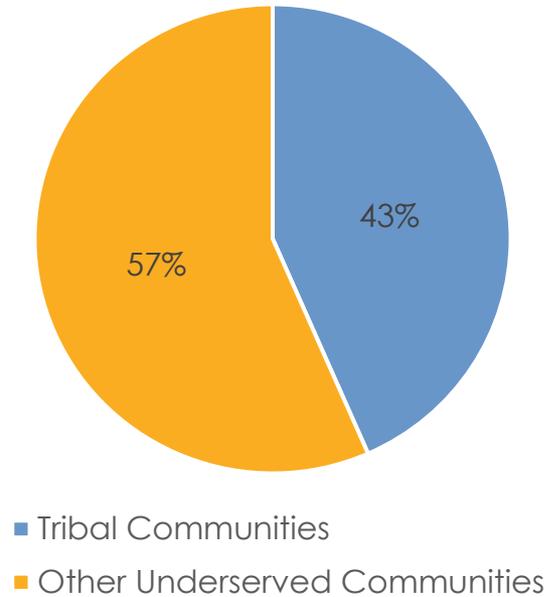
Organization	Award Amount
Barona Band of Mission Indians	\$200,000
Southern California Tribal Chairmen's Association	\$200,000
Central California Asthma Collaborative	\$200,000
Leadership Counsel for Justice and Accountability	\$200,000
San Pasqual Band of Indians	\$200,000
Self-Help Enterprises	\$125,000
El Sol Neighborhood Educational Center	\$125,000
Chico State Enterprises: North State Planning and Development Collective	\$125,000

Reach of Awarded Projects

21 Counties Served



\$725,000 Focused Exclusively on Tribes



Additional Grant Accounts

Public Participation

- Compensates participation in day-to-day CPUC activities that drive and influence policy.
- Total Funding: \$100,000
- Open for applications until June 2025 or exhausted
- Awarded-to-Date: \$2,975

Clean Energy Access

- Funds projects that increase access to or awareness about MIP, SGIP, and TECH.
- Total Funding: \$5,790,400
- Cycle 1: March 1 – April 30, 2024
- February Application Webinar

Thank you!



**California Public
Utilities Commission**

Questions? Capacitygrants@cpuc.ca.gov

www.cpuc.ca.gov/capacitygrants

Regular Agenda | Orders and Resolutions (continued)

Item #13 [22189] – Equity and Access Grant Program's Equity, Engagement, and Education Grant Account

Res M-4871

PROPOSED OUTCOME:

- Approves 8 applications for \$1,375,000 in funding from the Equity and Access Grant Program's Equity, Engagement, and Education Grant Account, which meet the AB 179 requirement to support Federal and California-recognized Native American Tribes and Community-Based Organizations that perform outreach regarding CPUC-related matters. 46 applications were reviewed and submitted from September 1 to October 31, 2023, according to criteria specified in Resolution M-4868. Two other grants were ministerially awarded by staff.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- \$1,375,000 from the Equity, Engagement, and Education Grant Account.

Regular Agenda | Communication Orders

Item #56 [22297] – Modifications to Broadband Public Housing Account and Tribal Technical Assistance Program Rules and Guidelines

R.20-08-021

Order Instituting Rulemaking Regarding Revisions to the California Advanced Services Fund.

Quasi-Legislative

Comr. Houck - Judge Kao

PROPOSED OUTCOME:

- Adopts modifications to the Broadband Public Housing Account rules and guidelines to expand eligibility for non-publicly supported housing developments and for project costs to facilitate deployment of broadband networks in low-income communities that lack access to free broadband service that meets state standards.
- Adopts modifications to the Tribal Technical Assistance program rules and guidelines to align with the Local Agency Technical Assistance program rules and guidelines.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no costs associated with this decision.

Regular Agenda | Water/Sewer Orders

Item #57 [22281] – California Water Service Company's Test Year 2023 General Rate Case

A.21-07-002

In the Matter of the Application of California Water Service Company, a California corporation, for an order (1) authorizing it to increase rates for water service by \$80,484,801 or 11.1% in test year 2023, (2) authorizing it to increase rates on January 1, 2024 by \$43,582,644 or 5.4%, and (3) authorizing it to increase rates on January 1, 2025 by \$43,197,258 or 5.1% in accordance with the Rate Case Plan, and (4) adopting other related rulings and relief necessary to implement the Commission's ratemaking policies.

Ratesetting

Comr. Houck - Judge Ferguson - Judge Long

PROPOSED OUTCOME:

- Approves partial Settlement Agreement and adopts rates for California Water Service Company for 2023 general rate case.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- The Proposed Decision adopts a Test Year 2023 revenue requirement of \$803,022,640, an increase of 10.8 percent compared to 2020, and a Test Year 2023 Rate Base value of \$619,940,847, representing a 41.3 percent increase over 2020.

Regular Agenda | Water/Sewer Orders (continued)

Item #57A [22282] – Commissioner Darcie Houck's Alternate to Item 22281

A.21-07-002

In the Matter of the Application of California Water Service Company, a California corporation, for an order (1) authorizing it to increase rates for water service by \$80,484,801 or 11.1% in test year 2023, (2) authorizing it to increase rates on January 1, 2024 by \$43,582,644 or 5.4%, and (3) authorizing it to increase rates on January 1, 2025 by \$43,197,258 or 5.1% in accordance with the Rate Case Plan, and (4) adopting other related rulings and relief necessary to implement the Commission's ratemaking policies.

Ratesetting

Comr. Houck

PROPOSED OUTCOME:

- Approves partial Settlement Agreement and adopts rates for California Water Service Company for 2023 general rate case.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- Adopts a Test Year 2023 revenue requirement of \$766,990,500, which includes adopting a Test Year 2023 Rate Base Addition value of \$354,263,800.

Management Reports



Commissioner's Reports



President
Alice Busching Reynolds



Commissioner
Darcie L. Houck



Commissioner
John Reynolds



Commissioner
Karen Douglas



Commissioner
Matthew Baker

The CPUC thanks you for participating in today's meeting

The next Public Meeting will be:

March 21, 2024

11:00 a.m.

San Francisco, CA





California Public Utilities Commission

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