CPUC Public Agenda 3474 Thursday, November 5, 2020 10:00 a.m. Remotely



Commissioners: Marybel Batjer, President Liane M. Randolph Martha Guzman Aceves Clifford Rechtschaffen Genevieve Shiroma



California Public Utilities Commission

www.cpuc.ca.gov

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
- Spanish speakers use Passcode: 6946898
- 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
- 22



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: <u>1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18.</u>
- 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.
- **<u>Item 4</u>** has been moved to the Regular Agenda.
- No Item has been withdrawn.
- The following items have been held to future Commission Meetings:

Held to 11/19/20: <u>21.</u> Held to 12/3/20: <u>2 and 20.</u>



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: <u>www.cpuc.ca.gov</u>
- Late changes to agenda items are available on the Virtual Escutia Table.



Regular Agenda – Orders and Resolutions

Item #4 [18820] – Enforcement Policy and Penalty Assessment Methodology

Res M-4846

PROPOSED OUTCOME:

- Approves the Commission Enforcement Policy and its Appendix on Penalty Assessment Methodology.
- Establishes enforcement guidelines.
- Authorizes staff to draft Administrative Consent Orders and Administrative Enforcement Orders subject to Commission review and disposition.

SAFETY CONSIDERATIONS:

• An effective enforcement program improves compliance with rules and regulations by utilities and other entities subject to Commission jurisdiction, which improves safety for employees, customers and the public.

ESTIMATED COST:

• There are no costs associated with this resolution.

CPUC Enforcement Policy and Penalty Assessment Methodology

Rachel Peterson Acting Executive Director November 5, 2020



California Public Utilities Commission

CPUC Enforcement Policy

Articulates principles to guide enforcement activities

Builds on existing practices

Applies to all CPUC enforcement activities

Designed to promote maximum compliance & establish consistent enforcement practices

Guiding Principles of Enforcement Policy

- Ensuring Compliance
- **Consistent Enforcement**
- Firm Enforcement & Meaningful Deterrence
- **Timely Enforcement**
- Progressive Enforcement
- Transparency
- Environmental Justice and Disadvantaged Communities
- Adaptive Management

Elements of the Enforcement Policy

- Commission & Division enforcement teams
- Range of enforcement tools
- Penalty assessment methodology
- Settlement process

Regular Agenda – Orders and Resolutions

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Regular Agenda – Energy Orders

Item #19 [18834] – Decision Continuing Efficiency Savings and Performance Incentive Mechanism R.13-11-005

Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies,

Programs, Evaluation, and Related Issues.

Ratesetting

Comr Randolph - Judge Fitch

PROPOSED OUTCOME:

- Continues the Energy Savings Performance Incentive program in its current form, due to the heightened importance of the energy efficiency resource and the fact that the Commission has continued to select the investor-owned utilities as program administrators.
- Commits to reexamining the structure of shareholder incentive opportunities further once several other policy issues related to potential and goal-setting are resolved, currently scheduled for 2021.
- Clarifies opportunities for lead utility administrators for statewide programs, including where Southern California Gas has been prohibited from participation except for program funding.

SAFETY CONSIDERATIONS:

• There are no safety considerations associated with this decision.

ESTIMATED COST:

• This decision would allow for potential costs of between approximately \$30 million and approximately \$75 million per year, depending on administrator performance in delivering energy savings, from the ratepayers of the large investor-owned electric and natural gas utilities.

Regular Agenda – Energy Orders (continued)

Item #19A [18835] – COMMISSIONER RANDOLPH'S ALTERNATE TO ITEM 18834 R.13-11-005

Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues.

Ratesetting

Comr Randolph

PROPOSED OUTCOME:

 Places a moratorium on the Energy Savings Performance Incentive Program in its current form, until the Commission resolves policy issues related to potential and goal-setting and until after the portfolio transition process for statewide and third-party programs is completed over the next few years.

SAFETY CONSIDERATIONS:

• There are no safety considerations associated with this decision.

ESTIMATED COST:

• This decision would save ratepayers of the large investor-owned electric and natural gas utilities between approximately \$30 million per year up to approximately \$75 million per year.

Regular Agenda – Orders Extending Statutory Deadline

Item #22 [18819] – Order Extending Statutory DeadlineC.19-11-008Utility Telecom Group, LLC vs. Pacific Bell Telephone Company d/b/a AT&T California.AdjudicatoryComr Randolph - Judge Kline

PROPOSED OUTCOME:

• Extends Statutory Deadline for completion of this proceeding until May 7, 2021.

SAFETY CONSIDERATIONS:

• There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

Item #23 [18859] – 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 Atamturk - Judge Lakhanpal

PROPOSED OUTCOME:

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

SAFETY CONSIDERATIONS:

• There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

Item #24 [18879] – Order Extending Statutory Deadline

I.15-08-019

Order Instituting Investigation on the Commission's Own Motion to Determine Whether Pacific Gas and Electric Company and PG&E Corporation's Organizational Culture and Governance Prioritize Safety.

Ratesetting

Comr Batjer - Judge DeAngelis

PROPOSED OUTCOME:

• Extends Statutory Deadline for completion of this proceeding until November 8, 2021.

SAFETY CONSIDERATIONS:

• There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

Item #25 [18881] – Order Extending Statutory Deadline

A.19-02-004

Application of Pacific Gas and Electric Company, a California corporation, for a Permit to

Construct the Humboldt Bay-Humboldt #1 60 kV Reconductoring Project Pursuant to General Order 131-D.

Ratesetting

Comr Shiroma - Judge Buch

PROPOSED OUTCOME:

• Extends Statutory Deadline for completion of this proceeding until February 1, 2021.

SAFETY CONSIDERATIONS:

• There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

Item #26 [18885] – Order Extending Statutory Deadline

A.19-05-006 Application of the County of Riverside to Construct a new Interchange on Interstate 10/Portola Avenue in the City of Palm Desert, County of Riverside, State of California.

Ratesetting

Comr Guzman Aceves - Judge Glegola

PROPOSED OUTCOME:

• Extends Statutory Deadline for completion of this proceeding until February 19, 2021.

SAFETY CONSIDERATIONS:

• There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

Management Reports





California Public Utilities Commission **Regular Agenda - Management Reports and Resolutions**

Item #27 [18887]

Report and Discussion on Recent Consumer Protection and Safety Activities

Item 27 – Report on Recent Safety and Consumer Protection Activities

Staff report from Public Safety Power Shutoff events Oct 25-28, 2020



California Public Utilities Commission

Public Safety Power Shutoff Event Details

PG&E

- Start 10/25/2020 0900
- End 10/26/2020 1530
- 35 counties, 17 tribes
- Peak Customer Impact: 345,000
 - Medical Baseline: 22,700
 - Critical Care: 15,320

SCE

- Start 10/26/2020 0630 (unanticipated start for customers in Valencia, LA County)
 - End 10/28/2020 1530
 - 5 counties, 1 tribe
- Peak Customer Impact: 19,022
 - Medical Baseline: 633
 - Critical Care: 113

SDG&E (2 events) Event #1

- Start 10/26/2020 0840
- End 10/26/2020 1816
- 2 counties, 0 tribes
- Peak Customer Impact 2,908
 - Medical Baseline: 106
 - Critical Care: 68

Event #2

- Start 10/27/2020 0912
- End 10/27/2020 1719
 - 1 county, 3 tribes
- Peak Customer Impact: 1,466
 - Medical Baseline: 105
 - Critical Care: 64

CPUC Monitoring Activities

- Commissioner and safety staff participants on state executive briefing and operational calls
- Close contact with Cal OES, CAL FIRE
- Embedded with PG&E and SCE
- Tribal advisor in contact with utilities and impacted tribes
- Consumer Affairs Branch fielded customer calls and checked utility call centers
- Communications staff on point with communications service providers re: notifications, service reliability

Preliminary Observations

• Notifications, battery programs, briefings

Regular Agenda - Management Reports and Resolutions

Item #27 [18887]

Report and Discussion on Recent Consumer Protection and Safety Activities

Management Reports





California Public Utilities Commission

Commissioners' Reports







California Public Utilities Commission







The CPUC Thanks You For Participating in Today's Meeting

The next Public Meeting will be:

November 19, 2020 at 10:00 a.m. Remote



California Public Utilities Commission