Final Report Issued on Last Summer’s Rotating Electric Outages

On January 13, 2021, the California Public Utilities Commission (CPUC) joined the California Independent System Operator (CAISO) and California Energy Commission (CEC) to issue a Final Root Cause Analysis on the August 2020 heat wave and ensuing rotating electrical outages. Gov. Gavin Newsom had requested the comprehensive analysis after record heat across the Western U.S. last August 14 and 15 led CAISO to institute rotating electricity outages in California.

The main conclusions on the sources of the outages in the final report were consistent with the reasons identified in a preliminary report issued last October. The final report incorporates additional data that was not available when the preliminary report was published.

Both reports found that, the three major factors leading to the August outages were as follows:

- The climate change-induced extreme heat wave across the western United States resulted in demand for electricity exceeding existing electricity resource adequacy (RA) and planning targets;
- In transitioning to a reliable, clean, and affordable resource mix, resource planning targets have not kept pace to ensure sufficient resources that can be relied upon to meet demand in the early evening hours. This made balancing demand and supply more challenging during the extreme heat wave; and,
- Some practices in the day-ahead energy market exacerbated the supply challenges under highly stressed conditions.

Signed by leaders of the CPUC, CAISO, and CEC, the analysis added that electricity shortfalls had been projected to be more severe over several days following the initial outages. But thanks to a statewide mitigation effort led by the Governor’s office and significant consumer conservation, additional outages were avoided.

In her comments about the final report, CPUC President Marybel Batjer noted that the accelerated pace of climate change makes it imperative for California to move more quickly to make sure the state has access to enough electricity if similar weather conditions occur.

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To Stop Digital ‘Redlining’ and Help Students, Make the Internet an Essential Utility

By Commissioner Martha Guzman Aceves, California Public Utilities Commission and Tony Thurmond, California State Superintendent of Public Instruction

Last year Senate Bill (SB) 98 was signed by Governor Gavin Newsom to help ensure that all of our children are able to successfully continue their education virtually through the Internet. Unfortunately, although this requirement on our educators came with significant funding, the Legislature did not couple it with any requirements on the Internet service providers to actually provide service.

We have seen this problem manifest acutely in the many school districts around the state scrambling to keep students connected. California’s surge in COVID-19 cases means remote education will continue to be the safest way to continue learning for many students in the weeks and months ahead. But the need for connectivity will not end after the pandemic. If we truly want to level the playing field for students in California – to ensure all students have access to the technology and tools that not only help them access their learning remotely, but will be needed for success the rest of their lives – we cannot rest until the Internet flows like electricity.

We are grateful for the countless school Superintendents, administrators, teachers, and counselors who have been thinking creatively to keep California students learning during this difficult time. We are also grateful for the philanthropy and generosity of private companies that have stepped up to help, providing more hotspots and thousands of devices for students who need them. These collective efforts are inspiring. But Superintendents alone cannot, and should not, be responsible for all children having access to the Internet, not to mention the rest of the family.

Like water and electricity, which require networks to serve entire communities, the Internet is a service that requires a network to serve all children and all households. Tasking our school leaders to provide an essential service is akin to asking them to provide water and electricity – it’s insufficient and unsustainable. The real answer is to regulate the Internet as the essential utility service it is, and that will take state and federal action beginning with the Biden Administration’s new Federal Communications Commission (FCC) chair. State and federal law already require telephone companies to serve all customers voice service in a designated area. They are obligated to make sure no one is left behind. But we have no such “carrier of last resort” requirement when it comes to Internet service. We desperately need it.

Right now, we rely on market forces, and the goodwill of Internet providers, to provide broadband and hope that they will serve everyone. But that outdated and naïve approach doesn’t work in low-income or sparsely populated communities and has left behind millions of Californians.

In the 1960s, the term “redlining” became a familiar part of the national vocabulary after people learned that banks and mortgage companies were literally drawing red lines on maps around neighborhoods where they did not want to offer home loans.

Today, study after study has found that companies are doing much the same with Internet service, and they are under no obligation to serve entire communities.

CPUC SOLICITING GRANT APPLICATIONS TO HELP EXPAND BROADBAND

As part of its continuing work to build and expand broadband facilities to unserved areas of the state, the CPUC’s Communications Division is accepting California Advanced Services Fund (CASF) Rural and Urban Regional Broadband Consortia Account grant applications until Feb. 1, 2021 for proposals that would help fund eligible activities.

Like water and power, broadband is critical infrastructure and essential for school, health, work, and recreation. Under legislation signed by former Gov. Jerry Brown in 2017, the CASF administered by the CPUC awards Consortia funds to facilitate broadband deployment by assisting CASF infrastructure applicants in the project development or grant application process.

Under rules developed to implement the law, the CPUC will consider funding activities that achieve the following objectives:

- Collaborating with the CPUC to engage regional consortia, local officials, Internet Service Providers (ISPs), stakeholders, and consumers regarding priority areas and cost-effective strategies to achieve the broadband access goal.
- Identifying potential CASF infrastructure projects, along with other opportunities, where ISPs can expand and im-
We need to require cable companies to be carriers of last resort for their designated areas, so that all customers have high-quality, affordable Internet service available to them.

We are past the point of offering incentives and relying on the power of market forces to close the digital divide. We need to require cable companies to be carriers of last resort for their designated areas, so that all customers have high-quality, affordable Internet service available to them.

In addition, we should invest in public networks and open access networks. That means requiring companies to serve every Californian, and it means funding local governments and new providers to build the infrastructure needed to provide a true digital safety net. To achieve this, we need the FCC and the Legislature to require providers to serve everyone in their territories and to ensure enough investment in digital networks to close any gaps in service.

The need for Internet access will not go away after the pandemic; it will persist for education, public safety, and the economy at large. The pandemic has revealed the gross inequities that exist and the needed federal and state action that can end the digital divide once and for all.

This op-ed first appeared in the Sacramento Bee on January 17, 2021.

prove their infrastructure and service offerings to achieve the goal of reaching 98 percent broadband deployment in each consortia region.

- Assisting infrastructure applicants in the project development or grant application process.
- Conducting activities leading to infrastructure applications.
- Assisting the CPUC in publicizing requests for wireline testing volunteers in areas, as needed.

To be eligible for a CASF Consortia grant of up to $150,000 per year, per consortium until December 31, 2022, an application must include specific work activities; measurable, tangible, and verifiable work deliverables; specific timeline milestones; quantitative and data-driven performance measures; and the method for performance tracking and measuring in a proposed “Work Plan and Performance Metrics Plan.”

As with previous grant approvals, CASF Consortia grants are limited to and apply only to activities and programs that are not already funded by any other public or private sources. Only one grant will be awarded to one consortium per geographic region, along county lines. A consortium may represent more than one county, but a county may not be represented by more than one consortium.

Applicants must submit their proposals via email or U.S. mail to: CASF_Consortia_Grant_Administrator@cpuc.ca.gov or: CPUC Attn: CASF Consortia Coordinator, Communications Division, 505 Van Ness Ave., San Francisco, CA 94102-3298. Questions can be answered by contacting: CASF_Consortia_Grant_Administrator@cpuc.ca.gov.
President Batjer Reappointed; Rachel Peterson Named Executive Director

In an exciting start to the year, CPUC President Marybel Batjer was reappointed by Gov. Gavin Newsom, and Rachel Peterson was named as the CPUC’s Executive Director.

President Batjer was first appointed to the CPUC on July 12, 2019, after the retirement of then-President Michael Picker. Since that time, President Batjer has led the CPUC through important consumer protection initiatives, including mitigating the impacts of utility Public Safety Power Shutoffs, ensuring an enhanced oversight and enforcement process resulting from the conclusion of Pacific Gas and Electric Company’s bankruptcy proceeding, taking actions to ensure reliable electricity for the state, and establishing customer protections during the COVID-19 pandemic, including placing a moratorium on utility disconnections.

Her reappointment is for a full six year term and requires state Senate confirmation.

“It is a privilege to lead the CPUC in fulfilling its critical role in our state and the daily lives of many Californians,” President Batjer said. “Since I assumed office in August 2019, I have focused on ensuring those we regulate live up to their duties and commitments to reliably provide high-quality services Californians can depend on. Much work remains as we respond to the enduring impacts of the pandemic and confront the acceleration of climate change. It is our commitment to safeguard Californians’ access to safe, reliable, and affordable services.”

Prior to joining the CPUC, President Batjer served as the first Secretary of the California Government Operations Agency. In this role, she led efforts to revamp how the state manages and utilizes data and technology, modernized the civil service system, and led the implementation of key initiatives to green state government and promote renewable energy.

Executive Director Peterson, who served most recently as the CPUC’s Acting Executive Director, has worked at the CPUC since 2011 in several leadership positions, including Chief of Staff and Advisor to Commissioners, Acting Director of the Safety Policy Division, and Deputy Executive Director for Safety Enforcement and Policy. She has experience in numerous areas of the CPUC’s utility regulation, including electricity, natural gas, safety, and transportation, and has led initiatives to bring greater transparency to the CPUC’s processes. She is an attorney and former nonprofit executive director.

In announcing Executive Director Peterson’s appointment, President Batjer said, “The year 2020 showed how critical the CPUC’s mission and work is to ensuring the well-being of Californians who rely on the essential services the CPUC oversees. Rachel has been a tremendous asset to the CPUC since she first joined the agency and has contributed greatly this past year. I am confident her expertise and commitment to the CPUC’s core values will help us continue our work to protect customers. My fellow Commissioners and I welcome Rachel to this leadership role.”

Executive Director Peterson called the appointment “an incredible professional privilege” and said, “I look forward to continuing to work with the Commissioners and dedicated staff of the CPUC as we all strive to serve Californians well and ensure access to safe, clean, and affordable utility services and infrastructure.”
If enthusiasm is the electricity of life, as a famous photographer once said, Danielle Gist could light up a whole city.

The two-year CPUC veteran oversees the organization's Employee Health and Safety (EHS) unit and her passion for helping others is palpable. It's in her DNA, inspired, Danielle believes, most likely by the generosity of her late mother. Despite always struggling to make ends meet, Danielle's mom was never too strapped to cook a meal for someone worse off or offer other assistance.

“I always knew from my mother's example that out of pain, if you can help someone else, your pain is lessened,” Danielle explains. “Plus I just really like people. I love hearing their stories and finding a way to help.”

When her mother passed away a little more than 10 years ago, in fact, Danielle was compelled to become a volunteer at the Shriner's Hospital for Children in Sacramento. After spending so much time as a caretaker, Danielle says she felt a gap in her life when her mother died. She heard about Shriner's, got in touch, volunteered, and still takes visitors on tours of the hospital.

“They do amazing work there and I get a lot of satisfaction from volunteering,” she says. Now at the CPUC, she and the EHS team members she repeatedly credits for their devotion and hard work, administer a variety of programs for CPUC employees. And the list, already long and varied, was made more complex by the COVID-19 pandemic and the state's stay at home order.

It includes Workers' Compensation; Limited Term Light Duty Assignments; Reasonable Accommodation, including pregnancy, lactation, and religious; Family Medical Leave Act and the California Family Right Acts; Paid and unpaid Medical Leaves of Absence; State Disability, Paid Family Leave and Non-Industrial Disability Leave, Family Care Leave; the CPUC Wellness Program; the Employee Assistance Program; Sit/Stand Workstation Certification Process; Workstation ergonomic and virtual ergonomic evaluations; Everbridge Safety Notification System; Workplace Violence and Bullying Prevention; First Aid and CPR and defibrillator training classes and item maintenance; Injury and Illness Prevention Program; Heat Illness Prevention Plan; COVID-19 Prevention Program; Safety regulatory consultation; the CPUC’s Anonymous Reporting System; CPUC’s Telework program; and assistance with career counseling and employee recruitment.

It is a mouthful and there is actually more in the works, including, as of January 1, 2021, the CPUC's emergency evacuation Building Emergency Response Team and the Safety Audit Inspection Program.

Since COVID-19, with all but a handful of CPUC employees working remotely, Danielle knew she had to come up with a way to ensure that employee workstations were ergonomically correct. So she and her team put together a program for virtual ergonomic assessments.

“It was all brand new and it's been a bit of a challenge,” she explains. “But with all those people working at home we had to help them be comfortable. Everybody has a different situation and a different story, so we had to be creative.”

Danielle’s route to the CPUC was circuitous. When she was a little girl of just 11, she volunteered as a hospital “candy striper” for the American Red Cross at the Naval Air Station in Corpus Christi, TX. She was living there part-time with her father following her parents’ separation.

The experience made her determined to be a nurse. But life took her in another direction just a few years later when she got a fulltime job at 14 and Danielle got the satisfaction of being able to help her mother purchase her first refrigerator with her first couple of paychecks.

The nursing dream still burned bright, though, and she went to business school with a plan to work in hospital administration while putting herself through nursing school. An internship led to another full-time job in the first Kaiser Permanente Occupational Health Clinic and an introduction to the employee Health and Safety field.

In 1998, after a series of layoffs at Kaiser made her want a more stable job, she went to work in the inmate medical record unit at the California Medical Facility prison in Vacaville. After six months filing medical records, she was promoted back into Health and Safety in the facility's Human Resources (HR) unit. She also spent two years at the state Department of Water Resources before coming to the CPUC's Sacramento office in January 2019.

“I didn't know anything about the CPUC or what it did at the time, but I saw a job posting that sounded interesting and fit with my experience,” she recalls. “I really liked the people on the interview committee and the culture of the place and I love working in the [continued on page 6]
“The acceleration of climate change demands we enhance our planning efforts and market practices at a faster pace and with broader anticipation for what is possible,” she said. “It is our top priority to ensure we have the demand- and supply-side resources needed to maintain reliability, and this analysis demonstrates how we will do it and continue to decarbonize the grid.”

“This Final Root Cause Analysis provides important insights and lessons learned about the factors that contributed to the rotating power outages of last summer,” said CAISO President and CEO Elliot Mainzer. “As we prepare for summer 2021 and beyond, I look forward to working closely with the CPUC, CEC, policymakers and regional stakeholders to bring our planning, procurement and operational practices together into a modernized and well-integrated resource adequacy framework for California.”

And David Hochschild, chair of the CEC, said, “This final report confirms our initial findings and reaffirms that our agencies are taking the right actions to update processes and strengthen California’s grid in the face of this crisis and worsening climate impacts. We have more to do to ensure long-term reliability but despite challenges, we remain relentlessly committed to transitioning our state to a clean energy future for all.”

Since August, the CAISO, CPUC, and CEC have taken various actions and continued focused efforts to prepare California for extreme heat waves next summer without having to resort to rotating outages. Those actions and efforts include the following:

1. The CPUC opened an Emergency Reliability rulemaking to procure additional resources to meet California’s electricity demand in summer 2021. Through this proceeding, the CPUC has already directed the state’s three large investor-owned utilities to seek contracts for additional supply-side capacity and has requested proposals for additional demand-side resources that can be available during the net demand peak period (i.e., the hours past the gross peak when solar production is very low or zero) for summer 2021 and summer 2022. The CPUC and parties to the proceeding, including the CAISO, will continue to evaluate proposals and procurement targets for both supply-side and demand-side resources.

2. The CAISO is continuing to perform analysis supporting an increase to the CPUC’s Resource Adequacy program procurement targets. Based on the analysis to date, the CAISO recommends that the targets apply to both the gross peak and the critical hour of the net demand peak period during the months of June through October 2021.

3. The CAISO is expediting a stakeholder process to consider market rule and practice changes by June 2021 that will ensure the CAISO’s market mechanisms accurately reflect the actual balance of supply and demand during stressed operating conditions. This initiative will consider changes that incentivize accurate scheduling in the day-ahead market, appropriate prioritization of export schedules, and evaluate performance incentives and penalties for the resources adequacy fleet. The CAISO is also working with stakeholders to ensure the efficient and reliable operation of battery storage resources given the significant amount of new storage that will be on the system next summer and beyond. Through a stakeholder process, the CAISO will pursue changes to its planned outage rules.

4. The CPUC is tracking progress on generation and battery storage projects that are currently under construction in California to ensure there are no CPUC-related regulatory barriers that would prevent them from being completed by their targeted online dates. The CAISO will continue to work with developers to address interconnection issues as they arise.

5. The CAISO and CEC will coordinate with non-CPUC-jurisdictional entities to encourage additional necessary procurement by such entities.

6. The CEC is conducting probabilistic studies that evaluate the loss of load expectation on the California system to determine the amount of capacity that needs to be installed to meet the desired service reliability targets.

7. The CAISO, CPUC, and CEC are planning to enhance the efficacy of Flex Alerts to maximize consumer conservation and other demand side efforts during extreme heat events.

8. Preparations by the CAISO, CPUC, and CEC are underway to improve advance coordination for contingencies, including communication protocols and development of a contingency plan. The contingency plan will draw from actions taken statewide under the leadership of the Governor’s Office to mitigate the anticipated shortfall from August 17 through 19, 2020.

The CAISO and CPUC have established dedicated 2021 Summer Readiness webpages to keep stakeholders and the public informed regarding the steps the agencies are taking to avoid reliability issues next summer.

GET TO KNOW US

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HR, which I don’t think gets enough credit for the work they do.”

Having lived all over the U.S. as a child, including time as a homesteader in Alaska as a young girl, Danielle is outgoing and says, “the gift of gab and enjoyment of getting to know different people” has been a big plus for her career.

“Obviously, I never became that nurse, but I married one, and together we serve as the family caretaker over the years. To me, that is success.”

Marybel Batjer, CPUC President
THE DOCKET:
Proceedings Filed at the CPUC November – December 2020

PROCEEDING NUMBER | FILED DATE | FILER

I1807009 | 16-NOV.-20 | ALJ/ZHANG/CPUC

R2011003 | 19-NOV.-2020 | CPUC
http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=349862998

A2011004 | 20-NOV.-2020 | SOUTHERN CALIFORNIA GAS COMPANY
Application of Southern California Gas Company (U904G), San Diego Gas & Electric Company (U902G), Pacific Gas And Electric Company (U39G), and Southwest Gas Corporation (U905G) Regarding Hydrogen-Related Additions or Revisions To The Standard Renewable Gas Interconnection Tariff.

A2004014 | 2-DEC.-20 | ALJ/WERCINSKI/CPUC

C2012005 | 02-DEC.-2020 | JEROLD FENNER
Jerold Fenner, Complainant vs. Pacific Gas and Electric Company (U39E), Defendant [Charging allegations are: Violations of Rule 21, Commission decisions, and the California Code.]
HARD COPY FILED

A2012002 | 03-DEC.-2020 | ASTOUND BROADBAND LLC
In the Matter of the Joint Application of Astound Broadband, LLC (U-6184-C), Radiate Holdings, L.P. and Stonepeak Associates IV LLC for Approval to Transfer Indirect Control of Astound Broadband, LLC, Digital West Networks, Inc. (U-7184-C), Norcast Communications Corporation (U-6640-C) and Blue Rooster Telecom, Inc. (U-7169-C).

C2012003 | 04-DEC.-2020 | DEAN J LEVIN
(ECP) Dean J. Levin, Complainant vs. Southern California Edison Company (U338E), Defendant. [Charging allegation is reinstatement of prior NEM rate.]

C2012004 | 09-DEC.-2020 | GREGORY JOSEPH SCHAFFER
(ECP) Gregory Joseph Schaeffer and Alesha Kaye Schaeffer, Complainants vs. Southern California Edison Company (U338E), Defendant. [Charging allegation is billing errors.]

A1608006 | 11-AUG.-2016 (REOPENED WEEK OF DEC. 1) | PACIFIC GAS AND ELECTRIC COMPANY

1-DEC.-20 | ALJ/SISTO/CPUC
Proposed Decision Denying Petition for Modification of Decision (D.18-10-050 filed by Alliance for Nuclear Responsibility which granted compensation for their contribution to D.18-01-022 relating to Pacific Gas and Electric Company’s Diablo Canyon Nuclear Plant and the cost of its operation

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A1509010 | 11-DEC.-20 | ALJS/GOLDBERG/ TSEN/CPUC
Proposed Decision Denying Compensation Request of Protect Our Communities Foundation.

R2008021 | 11-DEC.-20 | CMMR/GUZMAN ACEVES/CPUC
Proposed Decision Establishing Process for the California Advanced Services Fund to Leverage the Federal Rural Digital Opportunity Fund.

R1311005 | 11-DEC.-20 | ALJS/KAO/ FITCH/CPUC
Proposed Decision Providing Directions for Implementation of School Energy Efficiency Stimulus Program.

R1807003 | 11-DEC.-20 | ALJ/LAKHANPAL/CPUC

R1909009 | 7-DEC.-20 | ALJ/RIZZO/CPUC

A1509010 | 25-SEPT .-2015 (REOPENED WEEK OF DEC. 7, 2020) | SAN DIEGO GAS & ELECTRIC COMPANY
Proposed Decision Denying Compensation Request of Protect Our Communities Foundation.

C2012006 | 10-DEC.-2020 | RAYMOND RIBAL
| Raymond Ribal, Complainant vs Pacific Bell Telephone Company d/b/a AT&T California (U1001C), Defendant [Charging allegations are changes to terms of the contract and billing errors.]
HARD COPY FILED

A2012007 | 11-DEC.-2020 | SAN DIEGO GAS & ELECTRIC COMPANY

A2012008 | 11-DEC.-2020 | CALIFORNIA HIGH SPEED RAIL AUTHORITY
Application of the California High-Speed Rail Authority for approval to Construct two New Underpass Grade Separated Crossings, Under the Proposed High-Speed Rail Tracks at 9th Avenue (215.67) and Cairo Avenue (216.09) Located in the County of Kings, State of California.

I1704019, A1804002 | 14-DEC.-20 | ALJ/LARSEN/CPUC
Proposed Decision Modifying Decision 20-02-025 to Extend the Filing of PacifiCorp's Next General Rate Case One Year.

R1212011 | 14-DEC.-20 | ALJ/MASON/CPUC
Presiding Officer's Decision imposing penalties against Uber Technologies, Inc. for violating the Assigned Administrative Law Judge's December 19, 2019 and January 27, 2020 Rulings requiring information regarding sexual assault and sexual harassment claims.

A2007002, A2009014 | 4-DEC.-20 | ALJ/WANG/CPUC

2012009 | 18-DEC.-2020 | SAN DIEGO GAS & ELECTRIC COMPANY

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About this publication

This monthly newsletter is to keep you informed of proposals by the CPUC’s Commissioners and Administrative Law Judges, as well as utility applications, and other issues and work of note. We also include a list summarizing the filings at the CPUC in the previous month.

We want to hear from you! If you have topics you’d like us to cover or if you’d like to make comment on our proceedings or work, please contact us at outreach@cpuc.ca.gov or call (855) 421-0400. You can find information about events we are having at www.cpuc.ca.gov/Events.

Prior editions of this newsletter are available on the CPUC’s website at www.cpuc.ca.gov/newsletter.
A2012014 | 21-DEC.-2020 | VARCOMM BROADBAND, INC.
Application of Varcomm Broadband, Inc. for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange Services and Interexchange Services.

R1005004 | 06-MAY-2010 (REOPENED WEEK OF DEC. 14, 2020) | CPUC
Joint petition for modification of Decision 11-09-015 concerning self-generation incentive program requirements.

R1211005 | 08-NOV.-2012 (REOPENED WEEK OF DEC. 14, 2020) | CPUC
Joint petition for modification of Decision 15-06-002 concerning self-generation incentive program requirements

I0011001 | 02-NOV.-2000 (REOPENED WEEK OF DEC. 14, 2020) | SO CAL EDISON
Southern California Edison COMPANY’S (U 338-E) petition to modify Decision 06-09-003 to suspend reporting requirements
https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=356561496

A2006005 | 28-DEC.-20 | ALJ/POIRIER/CPUC

R1403003 | 28-DEC.-20 | ALJ/MCKINNEY/CPUC
Proposed Decision Denying Petition for Modification of Decision 18-03-017.

ALTERNATE PROPOSED DECISION
A2004014 | 28-DEC.-20 | CMMR/GUZMAN ACEVES/CPUC (WERCINSKI)

A2012015 | 28-DEC.-20 | ZINNIA NETWORKS INC.
Application of Zinnia Networks Inc. dba Matrix Broadband for a Certificate of Public Convenience and Necessity to Provide Full Facilities-Based and Resold Local Exchange Service in AT&T California, Frontier Communications, and Consolidated Communications Local Exchange Areas, and IntraLATA and InterLATA Interexchange Telephone Service Statewide.