

Working for California

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CPUC to Evaluate Strategies to Mitigate Energy Rate Increases



n ongoing efforts to address the affordability of utility services, the California Public Utilities Commission (CPUC) has opened a new phase of its affordability proceeding to explore strategies to mitigate future energy rate increases.

The CPUC previously opened a proceeding to assess the affordability impacts of individual CPUC proceedings and utility rate requests. Since that time, the CPUC issued a <u>deci-</u> <u>sion</u> in July 2020 adopting metrics and methodologies for assessing the relative affordability of public utility services, held an <u>En Banc</u> in February 2021 to hear from experts about ways to modernize California's energy system while

maintaining affordable rates, and produced a first annual <u>Affordability Report</u> in April 2021, among other actions.

This month, Commissioner Darcie L. Houck issued an <u>Amended Scoping</u> <u>Ruling</u> in the proceeding that opens a new phase to explore strategies to mitigate future energy rate increases, including strategies proposed at the

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February En Banc. The CPUC will examine whether changes to CPUC rules and practices, changes to rules and practices of other entities, and/or current statutes, should be recommended to mitigate future rate increases.

The CPUC is seeking involvement from a variety of participants, including ratepayer advocates; representatives for lowincome, disadvantaged, and vulnerable communities; environmental advocates; academics; industry representatives; sister energy agencies; and other parties impacted by these policies. A Prehearing Conference on October 22, 2021, at 2:30 p.m., is an opportunity for those interested to request party status and provide input on the proposed scope and schedule. The proposed schedule includes a workshop in early 2022 at which parties will share preliminary proposals for strategies to mitigate rate increases and debate the strengths and weaknesses of the strategies. Following the workshop, parties will file comments proposing refined strategies, followed by a round of opening and reply party comments on the proposals. CPUC staff will then develop and issue a report proposing actions the CPUC continued on page 4

CPUC to Host Annual Supplier Diversity En Banc

The CPUC will hold its 19th annual public hearing to examine the supplier diversity programs of the state's regulated utilities, discuss the CPUC's own commitment to supplier diversity, and hear from interested parties about their views on the future of supplier diversity and the impact it has had on the communities in which the utilities serve. This is a virtual/ remote participation event.



WHAT: CPUC 19th Annual Supplier Diversity En Banc - "Thriving and Surviving During a Pandemic"

WHEN: October 14, 2021, 9 a.m. – 3:15 p.m.

WHERE: This is a virtual-only event. Access the En Banc virtually via webcast or phone, as follows:

- Live webcast with English or Spanish captions: <u>www.adminmonitor.com/</u> <u>ca/cpuc</u>
 - » Participants who choose to participate via webcast only will have audio and video, but will not be able to make verbal comment. If you would like to make comments during the meeting, refer to the phone-in information below.
 - » For captions, after clicking on the name of the workshop, click the green button below the video for captions. Then select captions by clicking on the white icon next to the word "live" at the bottom of the video.
 - » It will be recorded and archived for future viewing.
- Phone English: 1-800-857-1917, passcode 5180519#
- Phone Spanish: 1-800-857-1917, passcode: 3799627#
 - » Participants will have audio and will be able to make comments during the public comment period of the En Banc.
 - » To make a public comment during the public comment period, press *1 (star one) when you wish to speak to be placed in a queue by the operator.
 - » Participants will be placed on mute in "listen-only" mode until the public comment period of the En Banc.
 - Public comments will be held at the end of the En Banc. Interested participants may submit comments about the Supplier Diversity Program by emailing supplierdiversity@cpuc.ca.gov.
 - Participants should register <u>here</u> to submit questions about the En Banc.

The CPUC has promoted and monitored the diversification of utilities' supply chains for more than 30 years. The CPUC's Utility Supplier Diversity Program encourages utilities to purchase at least 21.5 percent of their total procurement from diverse suppliers (women-owned, minority-owned, disabled veteran-owned, and lesbian, gay, bisexual, and/or transgender-owned businesses). In 2020, utilities spent \$11.7 billion, or 30.1 percent of their total procurement, with diverse suppliers.

More information, including a complete agenda, is available on the CPUC's <u>website</u>. ■

CPUC Issues Safety Metrics Proposal to Improve Utility Risk Mitigation and Safety Performance

The CPUC has issued a <u>Proposed Decision</u> that, if approved by the CPUC's Commissioners, would enhance regulatory oversight and enforcement of investor-owned utilities (IOUs) by improving risk mitigation and monitoring of the safety performance of all IOUs. The Proposed Decision also establishes specific metrics to systemically evaluate Pacific Gas and Electric Company's (PG&E) operational safety performance and to further implement the Enhanced Oversight and Enforcement Process imposed upon PG&E by the CPUC as a condition of approving PG&E's plan for exiting bankruptcy in May 2020. These efforts seek to promote the highest safety performance of all IOUs in their provision of safe and reliable electric service to Californians.

The Proposed Decision issued this month is part of the CPUC's ongoing efforts to incorporate risk-based decisionmaking into utility rate cases. Transparent, risk-based investment decision-making approaches better inform the CPUC and interested parties in evaluating how energy utilities assess, manage, mitigate, and minimize safety risks.

The Proposed Decision would adopt 10 new Safety Performance Metrics, building on those previously adopted, for PG&E, Southern California Edison, Southern California Gas Company, and San Diego Gas & Electric, and modify 19 existing Safety Performance Metrics.

The Proposed Decision would adopt 32 Safety and Operational Metrics for PG&E covering electric (wildfire) safety, electric reliability, and natural gas safety. In addition, beginning in early 2022, PG&E would be required to file biannual reports with the CPUC that include historical data for each metric, a narrative description of progress on each metric towards proposed targets, and a description of current and future activities to meet the proposed targets. Newly established metrics include tracking specific safety-related inspections and incidences within areas and communities highly-threatened by wildfire, tracking the frequency and duration of electric power disruptions, as well as tracking serious injuries and fatalities of members of the public and PG&E employees and contractors.

Engineers and analysts at the CPUC would utilize qualitative and quantitative techniques to assess current data and historical trends for each metric. Such data evaluation would also allow for identifying and examining safety incidences or outcomes that deviate from positive performance trends for



informing inspections, compliance audits, possible investigations, and enforcement actions by the CPUC.

The Enhanced Oversight and Enforcement Process for PG&E is a transparent, six-step enforcement framework established by the CPUC with escalating enforcement actions at each step, including placing conditions or revoking PG&E's license to operate in California. These steps are triggered by specific findings or events, including failure to make sufficient progress on Safety and Operational Metrics. In April 2020, the CPUC placed PG&E into step one of the Enhanced Oversight and Enforcement Process based on the company's failure to sufficiently prioritize clearing vegetation on its highest-risk power lines as part of its wildfire mitigation work in 2020. And, last month, CPUC President Marybel Batjer directed CPUC staff to conduct a fact-finding review regarding a pattern of PG&E self-reported missed inspections and other self-reported safety incidents to determine whether a recommendation to advance PG&E further within the Enhanced Oversight and Enforcement Process is warranted.

The Proposed Decision was prepared following public workshops and technical working groups, stakeholder engagement, and public comments. The Proposed Decision will be on the CPUC's Oct. 21, 2021, Voting Meeting agenda. The Proposed Decision is available on the <u>CPUC's website</u>. Comments from the public may be submitted to the Public Comments section of the proceeding's <u>Docket Card</u>.

THE DOCKET: Proceedings Filed at the CPUC August 2021

PROCEEDING NUMBER | FILED DATE | FILER

A2107017 | 30-JULY-2021 | SAN DIEGO GAS & ELECTRIC COMPANY

Application of San Diego Gas & Electric Company (U 902 M) for Establishment of an Interim Rate Relief Mechanism for its Wildfire Mitigation Plan Costs

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=396667234

C2107016 | 30-JULY-2021 | BLAIR WALLACE

Blair Wallace, Complainant vs. Cebridge Telecom Ca, LLC, d/b/a Suddenlink Communications (U6996C); Cebridge Telecom Ca, LLC d/b/a Suddenlink Communications (U1130C); NPG Digital Phone, LLC d/b/a Suddenlink Communications (U1168C); And CSC Wireless, LLC d/b/a Altice Mobile (U4527C), Defendants. [Charging allegation is unjustified charges.]

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=396114112

A2108003 | 02-AUG.-2021 | LIBERTY UTILITIES (CALPECO ELECTRIC) LLC | ELECTRIC | RATESETTING

Application of Liberty Utilities (CalPeco Electric) LLC (U 933 E) for Authority to Update Rates Pursuant to its Energy Cost Adjustment Clause and its California Climate Credit, Effective January 1, 2022. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397262268

K2108001 | 02-AUG.-2021 | COMMERCIAL ENERGY OF MONTANA INC.

Appeal of Commercial Energy of Montana Inc. d/b/a Commercial Energy of California from Citation E-4195-100 in the amount of \$1,121,787.50 issued by the Consumer Protection and Enforcement Division.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=396370066

A2108004 | 03-AUG.-2021 | PACIFICORP

In the Matter of the Application of PacifiCorp (U 901 E) for Approval of its 2022 Energy Cost Adjustment Clause and Greenhouse Gas-Related Forecast and Reconciliation of Costs and Revenue

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397775967

R1311005 | 3-AUG.-2021 | ALJ/FITCH/CPUC

Proposed Decision Adopting Settlement Agreement on San Diego Gas & Electric Company's Upstream Lighting Program 2017-2019.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397495962

R1910005 | 4-AUG.-2021 | ALJ/GLEGOLA/CPUC

Proposed Decision Approving the Utilities as Electric Program Investment Charge Administrators with Additional Administrative Requirements.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397529708

A2108002 | 04-AUG.-2021 | FIVE9, INC.

Joint Application by Five9, Inc. (U-7275-C) and Zoom Video Communications, Inc. for Approval Pursuant to Public Utilities Code Section 854 of the Transfer of Control of Five9, Inc. (U-7275-C).

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397534871

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STRATEGIES TO MITIGATE ENERGY RATE INCREASES continued from page 1

could take, or recommend actions that other entities could take (such as the Legislature or other agencies) to mitigate future rate increases.

Comments from the public about the proceeding may be submitted to the Public Comments section of the <u>Docket</u> <u>Card</u>. More information about the proceeding is available on the <u>CPUC's website</u>.

This action follows many the CPUC has taken toward affordability, including initiating a proceeding focused on the San Joaquin Valley to establish a methodology for identifying disadvantaged communities in the region and approving \$56 million in funding for 11 pilots that seek to reduce energy costs for households in these communities by way of appliance retrofit pilots, expanded outreach and enrollment in existing demand-side management programs, and new bill protection measures. In addition, in response to the COVID-19 pandemic, which has exacerbated affordability challenges, the CPUC has taken numerous measures to help protect consumers, including temporary moratoria on disconnections for failure to pay utility bills, expanded access to bill subsidy programs, and requiring utilities to offer payment plans for customer debt.

C2108005 | 04-AUG.-2021 | RAY M. NICHOLS | GAS | ADJUDICATORY (ECP) Ray M. Nichols, Complainant vs. Southern California Gas Company (U904G), Defendant. [Charging allegation is billing error.] https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397312175

C1904005 | 5-AUG.-2021 | ALJ/FERGUSON/CPUC

Presiding Officer's Decision denying requested relief from complaint of Fred Sahadi and Fred Sahadi Revocable Living Trust vs. San Jose Water Co. Any party to this adjudicatory proceeding may file and serve an Appeal of the Presiding Officer's Decision within 30 days of the date of issuance of this decision.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397312159

A1807013, A1812008 | 6-AUG.-2021 | ALJ/HAGA/CPUC

Proposed decision adopting and approving the Settlement Agreement, dated January 10, 2020, between The Utility Reform Network, the Public Advocate's Office of the California Public Utilities Commission, Alliance for Nuclear Responsibility, County of San Luis Obispo, Women's Energy Matters, yak tit^yu tit^yu yak tiłhini Northern Chumash Cultural Preservation Kinship, and Pacific Gas and Electric Company.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397529753

R2008021 | 6-AUG.-2021 | CMMR/HOUCK/CPUC

Proposed Decision Modifying the California Advanced Services Fund Broadband Adoption Account Eligibility Requirements Related to Participation in Digital Literacy Projects.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=397775978

R140801,3 A1507002, A1507003, A1507005, A1507006, A1507007, A1507008 | 6-AUG.-2021 | CMMR/HOUCK/CPUC

This decision closes Rulemaking 14-08-003 in light of the opening of the successor distribution resource plan proceeding, R.21-06-017, and approves, as modified, the Investor-owned Utilities' Applications as well as the Small and Multi Jurisdictional Utilities' Applications.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398046643

R2002008 | 6-AUG.-2021 | CMMR/SHIROMA/CPUC

Proposed Decision Revising General Order 153, Authorizing Eligibility Verifications Through Database Access, and Establishing Specific Support Amounts.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398225088

A2108006 | 9-AUG.-2021 | SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT (B.A.R.T.)

In the Matter of the Application of the San Francisco Bay Area Rapid Transit District (BART) for an order to construct one new grade separated crossing for the Irvington Station Project for pedestrian access to the Irvington BART Station, across and over the track of the Union Pacific Railroad Warm Springs Subdivision near Mile Post 3.06 in the City of Fremont, County of Alameda, State of California. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398465754

A2108007 | 9-AUG.-2021 | CALIFORNIA DEPARTMENT OF GENERAL SERVICES

In the Matter of the Application of the California, Department of General Services for an Order authorizing the construction of a twotrack at-grade crossing at the proposed intersection of North 7th Street and North C Street in the City of Sacramento.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398290609

A2108008 | 11-AUG.-2021 | CENTRAL COAST SHUTTLE SERVICES, INC.

Application of Central Coast Shuttle Services, Inc. (PSC 13086) for Authority to Increase Rates Between Points in Santa Maria, Buellton, Santa Barbara and Ventura and the Los Angeles International Airport (LAX); and to establish a Zone of Rate Freedom (ZORF).

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California Public Utilities Commission

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 <u>outreach@cpuc.ca.gov</u> or call (855) 421-0400. You can find information about events we are having at <u>www.cpuc.ca.gov/Events</u>.

Prior editions of this newsletter are available on the CPUC's website at <u>www.cpuc.ca.gov/newsletter</u>.

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- m www.linkedin.com/company/CaliforniaPUC

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398465784

C2105005 | 12-AUG.-2021 | ALJ/KLINE/CPUC

Presiding Officer's Decision dismissing Complaint and directing California American Water Company to file an application.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398929682

A2108009 | 13-AUG.-2021 | SOUTHERN CALIFORNIA EDISON COMPANY

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E) for a Permit to Construct Electrical Facilities With Voltages Between 50 kV and 200 kV: Control-Silver Peak Project.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=398955744

A2108010 | 13-AUG.-2021 | SAN DIEGO GAS & ELECTRIC COMPANY Application of San Diego Gas & Electric Company (U902E) for Approval of its 2022 Electric Sales Forecast.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=400642045

A2108011 | 13-AUG.-2021 | SUBURBAN WATER SYSTEMS

Application for Order Authorizing Suburban Water Systems (U339W) to Purchase Sativa County Water District's Assets and for Related Approvals.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=399449978

I1807009 | 16-AUG.-2021 | ALJ/ZHANG/CPU

Presiding Officer's Decision resolving all outstanding issues and finding that Community Union, Inc., failed to implement the California's One Million New Internet Users Coalition program in accordance with the terms of approval granted by the Commission in violation of Decision 11-06-038 and Resolution T-17355; and that acted in contempt and violated Rule 1.1 of the Commission's Rules of Practice and Procedure by demonstrating a reckless disregard for the Commission, the regulatory process, the law, and the truth.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=400593841

A2108012 | 19-AUG.-2021 | CITYSIDE NETWORKS, INC

In the Matter of the Application of Cityside Networks, Inc. for a certificate of public convenience and necessity to provide full facilitiesbased and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company, Frontier California, Inc., Frontier Communications of the Southwest, Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California, Inc. and full facilitiesbased and resold interexchange services on a statewide basis. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=401335118

A2108018 | 19-AUG.-2021 | PS LIGHTWAVE, INC.

Application of PS Lightwave, Inc. for Registration as an Interexchange Carrier Telephone Corporation Pursuant to the Provisions of Public Utilities Code Section 1013.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=403094512

R1311005 | 20-AUG.-2021 | ALJ/FITCH-KAO/CPUC

Proposed Decision Adopting Energy Efficiency Goals for 2022-2032. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=401543859

I1706027 R1706028 | 20-AUG.-2021 | CMMR/BATJER/CPUC

Proposed Track 2 Decision Adding Attachment Data to Pole Owner Databases Ordered in Decision 20-07-004.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=401344701

R1407002 A1607015 | 20-AUG.-2021 | CMMR/GUZMAN ACEVES/ CPUC

Proposed Decision for Review of Solar Consumer Assistance Fund for Net Energy Metering Customers.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=400897644

A2004003 | 06-APRIL-2020 (REOPENED WEEK OF AUG. 19, 2021) | CALIFORNIA-AMERICAN WATER COMPANY

REHEARING AND REQUEST FOR STAY OF DECISION 21-08-002 AND REQUEST FOR ORAL ARGUMENT | Joint Application of California-American Water Company (U210W) and East Pasadena Water Company (U331W) for an Order Authorizing East Pasadena Water Company to Sell and California-American Water to Purchase the Water Utility Assets of East Pasadena Water Company.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=399250129

A2108013 | 23-AUG.-2021 | SOUTHERN CALIFORNIA EDISON COMPANY

Application of Southern California Edison Company (U338-E) for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2022 and Reset the Annual Cost of Capital Adjustment Mechanism.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=402289465

A2108014 | 23-AUG.-2021 | SAN DIEGO GAS & ELECTRIC COMPANY

Application of San Diego Gas & Electric Company (U902M) for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2022 and to Reset the Annual Cost of Capital Mechanism. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=401335138

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A2108015 | 23-AUG.-2021 | PACIFIC GAS AND ELECTRIC COMPANY

Application of Pacific Gas and Electric Company for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2022 and to Reset the Cost of Capital Adjustment Mechanism or, in the Alternative, for Suspension of Cost of Capital Adjustment Mechanism for 2021. (U39M)

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=402289469

A2108016 | 24-AUG.-2021 | MUSSEY GRADE ROAD ALLIANCE

Application of the Mussey Grade Road Alliance for award of intervenor compensation for substantial contributions to Resolution WSD-019.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=403068452

A2108017 | 24-AUG.-2021 | THE PROTECT OUR COMMUNITIES FOUNDATION

Application of The Protect Our Communities Foundation for Award of Intervenor Compensation for Substantial Contribution to Resolution ESRB-9.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=403068457

A2104005 | 01-APRIL-2021 (IN NEED OF REASSIGNMENT, WEEK OF AUG. 23, 2021) | BUSINESS TELEPHONE EXCHANGE, INC.

Application of Business Telephone eXchange, Inc. - BTX for Registration as an Interexchange Carrier Telephone Corporation pursuant to the Provisions of Public Utilities Code Section 1013.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=376501648



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