

# Working for California

### April 2022

Produced by the CPUC News & Outreach Office | outreach@cpuc.ca.gov

# Version 2.0 of Environmental and Social Justice Action Plan Continues to Advance Equity

The California Public Utilities Commission (CPUC) has adopted <u>Ver-</u> sion 2.0 of its Environmental and Social Justice (ESJ) Action Plan to guide its decisions and make sure its broad regulatory authority continues to advance equity throughout the state.

Over the last two years, the CPUC has taken many steps forward to integrate ESJ principles into its decision-making processes across the essential utility services the CPUC regulates. Version 2.0 reflects comments received from the public and learnings from ongoing implementation activities outlined in Version 1.0, including updated priorities due to COVID-19, rising utility rates and the impacts on vulnerable Californians, and alignment on the CPUC's diversity, equity, and inclusion activities.

While goals in Version 2.0 of the ESJ Action Plan largely remain the same, the Action Plan has been revised to align



with the State's goal on promoting high road careers for economically or environmentally disadvantaged communities, and outlines a workplan to achieve each of the nine goals and objectives centered on themes of equity, access, engagement, resiliency, safety and enforcement, metrics, accountability, and staff training. What our Commissioners say:

**PRESIDENT ALICE BUSCHING REYNOLDS:** "Version 2.0 of the ESJ Action Plan furthers our efforts to continue to build greater equity in the CPUC's programs and services. By considering climate resiliency, Version 2.0 thoughtfully introduces the development of community engagement plans to reach out to disadvantaged vulnerable communities and describe specific actions electric and gas utilities will take in those communities, as they assess the long-term vulnerabilities to climate change."

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# Utilities to Develop Pilot Program Proposal To Utilize Community Organizations to Help Consumers

n continuing actions to help consumers resolve their energy utility debt, the CPUC has <u>ordered</u> utilities to develop a pilot program proposal to mobilize community-based organizations (CBOs) to assist consumers with their utility bills.

Utilities will develop a CBO Case Management Pilot Program proposal to serve California communities where, during the first year of the COVID-19 pandemic, electric bills were high-



est relative to the available resources of the community. The anticipated plot will serve approximately 12,000 customers who would otherwise continue to face difficulty in resolving their utility bill debt once the statewide relief distributed to utilities is applied to customer accounts. The statewide relief program requires energy utilities to apply relief funds to customer accounts by the end of March 2022. Energy utilities are prohibited from disconnecting customers in receipt of relief for 90 days after the funds are applied.

The CPUC established a CBO Pilot Working Group to guide and oversee the development of the pilot proposal, including selection of the CBOs in the targeted communities. Pacific Gas and Electric Company will convene the CBO Pilot Working Group and require representatives from a variety of advocacy groups, oversight boards, and CBOs to participate in the CBO Pilot Working Group. The CBO Pilot Working Group will consider and propose a budget, payment structure, and evaluation method for the CBO Pilot.

The CPUC is addressing energy rates in a number of ways, including rate assistance programs, pilot programs to improve the affordability of utility services for Californians, and exploring strategies to mitigate future energy rate increases in an ongoing utility <u>affordability</u> proceeding.

#### VERSION 2.0 OF ENVIRONMENTAL AND SOCIAL JUSTICE ACTION PLAN... continued from page 1

**COMMISSIONER CLIFFORD RECHTSCHAFFEN:** "Version 2.0 reflects the CPUC's continued effort to achieve our environmental and social justice goals, and it's become an important resource for our staff and stakeholders. It includes enhanced accountability and new focus areas, development of high road jobs, engagement in communities with access and functional needs consumers, support for resiliency, and increased collaboration."

**COMMISSIONER GENEVIEVE SHIROMA:** "One area where I have seen the ESJ Action Plan playing a key role is in our rail proceedings. For every rail crossing, we evaluate how the projects can improve safety, increase access to transportation and economic opportunities, and improve air quality. We also keep a close eye on whether the projects will bisect disadvantaged communities, create environmental pollutants, or harm cultural resources. This type of analysis is crucial and the ESJ Action Plan allows us to advance environmental and social justice goals in a consistent and steadfast manner."

**COMMISSIONER DARCIE L. HOUCK:** "The ESJ Action Plan has been instrumental in guiding the CPUC's focus and efforts to advance equity and environmental justice in our programs and proceedings. I look forward to continuing to advance the goals and priorities set forth in the Plan."

**COMMISSIONER JOHN REYNOLDS:** "We know that communities of color and low-income communities are underrepresented in the policy-setting and decision-making processes, and that those communities are often hit the hardest when it comes to environmental impacts. This update to the ESJ Action Plan will incorporate learnings from our lived experiences since 2019 and deepen and enhance our ESJ policy goals."



## Supplier Diversity Program Expanded to Encourage Diversity and Inclusion in Utility Industry

The CPUC, in ongoing efforts to promote and support diversity and inclusion, has <u>expanded</u> its Supplier Diversity Program in a number of ways, including setting goals for procurement from lesbian, gay, bisexual, and transgender (LGBT) businesses; adding businesses owned by persons with disabilities; bringing Community Choice Aggregators (CCA) and Electric Service Providers (ESP) into the program; and initiating reporting requirements of workforce and executive board diversity.

For the more than 30 years, the <u>Supplier</u> <u>Diversity Program</u> has encouraged energy, telephone, and water utilities under the CPUC's jurisdiction to voluntarily procure from diverse entities, including those owned by women, minorities, disabled veterans, and LGBT businesses. In 2021, the Supplier Diversity Program achieved a diversity procurement milestone of \$12.3 billion. This amount represents more than 30 percent of the total procurement dollars of utilities and other entities, surpassing the 21.5 percent in combined goals.

The CPUC's April decision establishes a specific procurement goal for LGBT businesses—one that increases over the next three years: 0.5 percent for 2022, 1 percent for 2023, and 1.5 percent for 2024. To encourage program participation by LGBT businesses, the decision directs CPUC staff, the utilities and other entities, and community-based organizations to coordinate outreach efforts to encourage program participation by LGBT businesses.

The decision adds businesses owned by people with disabilities to the Program. People with disabilities are significantly underrepresented in employment and business opportunities, and are disproportionately low-income. The CPUC will establish specific procurement goals for these businesses in three years.

The CPUC also implemented the requirements of Senate Bill 255 (Bradford, 2019), which authorizes the CPUC to incorporate CCAs, ESPs, and smaller investor-owned utilities into the Program.

Lastly, the CPUC required that utilities and other entities covered by the Program report on their workforce and board diversity. Preliminarily, utilities and other entities are required to share with the CPUC their existing diversity reports filed with the U.S. Equal Employment Opportunity Commission on workforce data and the California Secretary of State on board data. Further reporting requirements will be developed in phase 2 of the CPUC's diversity proceeding. The CPUC is one of the first Commissions in the country to establish these requirements.

## **Incentives Expanded for Electric Heat Pump Water Heaters**

The CPUC took important steps to fight climate change and promote building decarbonization by expanding incentives for electric appliances. The CPUC <u>adopted</u> budgets, incentive levels, and other program requirements for the Self-Generation Incentive Program (<u>SGIP</u>) Heat Pump Water Heater (HPWH) program that was authorized in prior CPUC Decisions. The building sector is responsible for 25 percent of the State's greenhouse gas (GHG) emissions.

Heat pump systems provide hot water using energy from the electric grid, which is increasingly renewable, with 86 percent GHG-free electricity expected by 2032, and 100 percent renewable electricity delivered by 2045. HPWHs are a cleaner and more efficient technology than water heating using natural gas from fossil fuels. They reduce GHG emissions and also avoid gas combustion that releases criteria air pollutants inside buildings.

The CPUC's recent decision allocates an additional \$40 million from 2023 gas Cap-and-Trade allowance auction proceeds to the previously authorized \$44.7 million SGIP HPHW program budget, for a total budget of \$84.7 million. This funding will significantly increase the number of HPWHs installed each year. Approximately 800,000 water heaters are replaced annually in California, and rapidly transforming the market to increase the use of heat pump technology is critical to the State's goal of decarbonizing buildings.

Half of the incentive funds are reserved for low-income utility customers. The incentive amount for single-family residential customers is capped at \$4,885 for low-income customers and \$3,800 for other customers. Incentives are also



To receive incentives, the HPWH systems must be designed, installed, and operated in a manner that shifts electricity use from peak to offpeak periods and reduces GHG emissions.

authorized if an electric panel upgrade is needed to install the HPWH. An additional incentive of \$1,500 is authorized for systems using "low global warming potential" refrigerants to reduce GHG emissions even further.

To receive incentives, the HPWH systems must be designed, installed, and operated in a manner that shifts electricity use from peak to off-peak periods and reduces GHG emissions. To achieve these benefits, the incentive program requires using a "thermostatic mixing valve" that allows pre-heating of water during off peak hours when electricity use is low. This is the "energy storage" function of HPWHs. Customers receiving these incentives must enroll in a demand response program where they agree to reduce their electricity use for a brief time during a severe heatwave or other grid emergency.

These new incentives are designed to bring the significantly higher cost to purchase and install a HPWH in line with the cost of a new gas hot water heater. With cost parity, contractors can recommend HPWHs to their clients who may not be familiar with the technology and must make quick decisions about replacing a failed hot water heater.

# THE DOCKET: Proceedings Filed at the CPUC March 2022

#### PROCEEDING NUMBER | FILED DATE | FILER

#### A2202017 | FEB. 28, 2022 | TRACI.NET INC.

Application of Traci.net 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=458190419

#### A2202018 | FEB. 28, 2022 | FREEVOICE INC.

Application of Freevoice 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=456801829

#### A2202019 | FEB. 28, 2022 | INTSIGNA

Application of Intsigna 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=458308076

#### A2202020 | FEB. 28, 2022 | DAGOBAH SYSTEMS, INC.

Application of Dagobah Systems, Inc., dba Dagobah Communications Systems, 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=458308077

#### A2203003 | MARCH 4, 2022 | ASSOCIATION OF BAY AREA GOVERNMENTS

Application of Association of Bay Area Governments for Approval of 2024-2031 Strategic Business Plan, 2024-2027 Portfolio Plan, and Budget.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456555097

#### A2203004 | MARCH 4, 2022 | COUNTY OF VENTURA

Application of County of Ventura for Approval of 2024-2031 Strategic Business Plan, 2024-2027 Portfolio Plan, and Budget.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456312812

#### A2203005 | MARCH 4, 2022 | SAN DIEGO GAS & ELECTRIC COMPANY Application of San Diego Gas & Electric Company (U902M) to Adopt 2024-2031 Energy Efficiency Rolling Portfolio Business Plan Pursuant to D.21-05-031.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456544230

#### A2203006 | MARCH 4, 2022 | PACIFIC GAS AND ELECTRIC COMPANY Application of Pacific Gas and Electric Company for Approval of

2023-2026 Clean Energy Optimization Pilot. U39E)

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456277967

#### A2203007 | MARCH 4, 2022 | SOUTHERN CALIFORNIA EDISON COMPANY

Application of Southern California Edison Company (U338E) for Approval of its 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456513008

#### A2203008 | MARCH 4, 2022 | SOUTHERN CALIFORNIA GAS COMPANY

Application of Southern California Gas Company (U904G) for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Portfolio Plan.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456544231

# A2203011 | MARCH 4, 2022 | SOUTHERN CALIFORNIA REGIONAL ENERGY NETWORK

Application of Southern California Regional Energy Network for Approval of 2024-2031 Energy Efficiency Business Plan and 4-Year Portfolio Plan. (#940).

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=460301574

#### A2203012 | MARCH 4, 2022 | MARIN CLEAN ENERGY

Application of Marin Clean Energy for Approval of 2024-2031 Energy Efficiency Business Plan and 2024-2027 Energy Efficiency Portfolio Plan.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=459701933

#### A2102009 | MARCH 7, 2022 | ALJ/WILSON/CPUC

Proposed Decision granting James Hankins, an individual, d/b/a Hankins Information Technology a certificate of public convenience and necessity to provide full facilities-based and resold competitive local exchange services and full facilities-based and resold interexchange services, broadband internet, voice-over-internet service provider service and designation as an Eligible Telecommunications Carrier.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456544183

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#### C2203009 | MARCH 8, 2022 | MARTHA COCKING

(ECP) Martha Cocking, Complainant vs Southern California Edison Company (U338E), Defendant. (Charging allegation is billing error.] https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=456578996

#### A2107017 | MARCH 15, 2022 | ALJ/ATAMTURK/CPUC

Proposed Decision Denying San Diego Gas & Electric Company's Application for Interim Rate Relief.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=459701935

A2203013 | MARCH 15, 2022 | CRIMSON CALIFORNIA PIPELINE L.P.

In the Matter of the Application of Crimson California Pipeline L.P. (PLC-26) for Authority to Establish a Memorandum Account to Track Costs Mandated by Assembly Bill (AB) 864 and to Impose a Surcharge for Recovery of Mandated AB 864 Costs.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=458564907\_

#### A2203014 | MARCH 15, 2022 | SOUTHWEST GAS CORPORATION

Application of Southwest Gas Corporation (U905G) for Authority to Revise its California Gas Tariff to Establish its Move2Zero Program. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=459958599

A2203014 | MARCH 15, 2022 | SOUTHWEST GAS CORPORATION

Application of Southwest Gas Corporation (U905G) for Authority to Revise its California Gas Tariff to Establish its Move2Zero Program. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=459958599

P2203015 | MARCH 16, 2022 | UNION PACIFIC RAILROAD COMPANY Petition to adopt, amend, or repeal a regulation pursuant to Pub. Util. Code § 1708.5.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=460301138

#### A2103008 | MARCH 16, 2022 | ALJ/LAU/CPUC

Proposed Decision Resolving Phase One of Pacific Gas and Electric Company's Energy Resources Recovery Account Compliance Application for the 2020 Record Year.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=459701960

#### A2003002 ET AL. | MARCH 18, 2022 | ALJ/STEVENS/CPUC

Proposed Decision Adopting Remaining Direction Regarding Assembly Bill 2514 Energy Storage Procurement Targets and Approving Two Energy Storage Programs Pursuant to Assembly Bill 2868. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=460301712

#### R1902012 | MARCH 16, 2022 | ALJ/CHIV/MASON/CPUC

Proposed Decision Granting Compensation to Disability Rights California for Substantial Contribution to Decision 20-03-007.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=458799431

#### R1902012 | MARCH 16, 2022 | ALJ/CHIV/MASON/CPUC

Proposed Decision Granting Compensation to Disability Rights Education & Defense Fund for Substantial Contribution to Decision 20-03-007.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=458564911

#### R2203016 | MARCH 17, 2022 | CPUC

Order Instituting Rulemaking Proceeding to Consider Amendments to General Order 133. No Link Provided.

No Link Provided.

#### R1911009 | MARCH 18, 2022 | ALJ/CHIV/CPUC

Proposed Decision Denying Petition for Modification of OhmConnect, Inc.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=460301150

#### R2001007 | MARCH 18, 2022 | ALJ/BEMESDERFER/GOLDBERG/ CPUC

= Proposed Decision Implementing Southern California Gas Company Rule 30 Operational Flow Order Winter Noncompliance Penalty Structure Year-Round for Southern California Gas Company, San Diego Gas & Electric Company, and Pacific Gas and Electric Company. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=460301154

#### A2106001 | JUNE 1, 2021 | PACIFIC GAS AND ELECTRIC COMPANY (REOPENED WEEK OF MARCH 14, 2022)

Joint Application for Rehearing of D.22-02-002. | Application of Pacific Gas and Electric Company for Adoption of Electric Revenue Requirements and Rates Associated with its 2022 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges Forecast and Greenhouse Gas Forecast Revenue Return and Reconciliation. (U 39 E)

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=458564869

#### R2002008 | MARCH 21, 2022 | CMMR/SHIROMA/CPUC

Proposed Decision Regarding Renewals Process Improvements and Compliance with Assmbly Bill 74.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=461182221

#### A1404017 | MARCH 23, 2022 | COUNTY OF KERN

Application of the County of Kern to construct a grade separation of a public road under the tracks of the San Joaquin Valley Railroad in an unincorporated area of the County of Kern, California; Proposed C.P.U.C. Crossing No. 103Q-111.61-B; Proposed D.O.T. Crossing No. 936384Y. Petition for Modification of Decision 14-11-031.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=461182508

#### R2005003 | MARCH 29, 2022 | ALJ/FITCH/CPUC

Proposed Decision on Modified Cost Allocation Mechanism for Opt-Out and Backstop Procurement Obligations.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463620618

#### C2203017 | MARCH 29, 2022 | TIMOTHY J. STICH

(ECP) Timothy J. Stich, Complainant vs. Southern California Edison Company (U338E), Defendant. [Charging allegation is billing error.] https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463619961

#### R1410003 | MARCH 30, 2022 | ALJ/HYMES/CPUC

Proposed Decision adopting changes to the Avoided Cost Calculator.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463620099

#### A2203018 | MARCH 30, 2022 | SOUTHERN CALIFORNIA EDISON COMPANY

Application of Southern California Edison Company (U338E) for Authorization to Recover Costs Related to 2019 Winter Storms, 2020 Heatwaves, and 2020 Fires Recorded in the Catastrophic Event Memorandum Account.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463619983

#### A2203019 | MARCH 30, 2022 | CALLCURRENT, INC.

Application of CallCurrent, 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=463620772

#### R1212011 | APRIL 1, 2022 | CMMR/SHIROMA/CPUC

Proposed Decision denying Appeal of Lyft, Inc. re: Ruling denying, in part, motions by Uber Technologies, Inc. and Lyft Inc. for confidential treatment of certain information in their 2020 Annual Reports. https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463619797

#### A2204001 | APRIL 1, 2022 | SOUTHERN CALIFORNIA EDISON COMPANY

Application of Southern California Edison Company (U 338-E) for a Commission Finding that its Procurement-Related and Other Operations for the Record Period January 1 Through December 31, 2021 Complied with its Adopted Procurement Plan; for Verification of its Entries in the Energy Resource Recovery Account and Other Regulatory Accounts; and for Recovery of \$25.706 Million Recorded in Five Accounts.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463619794

#### A2004019 | APRIL 27, 2020 | SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (REOPENED WEEK OF MARCH 28, 2022)

PETITION OF MODIFICATION DECISION 20-10-020 | Application of the Santa Cruz County Regional Transportation Commission (RTC) to construct three new public at grade pedestrian trail crossings, one new private at-grade vehicular crossing, and one new public atgrade multi-use trail crossing of the existing Santa Cruz Branch Rail Line owned by the RTC in unincorporated Santa Cruz County.

https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=463620741

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We typically have opportunities at all levels available: leadership, supervisory, engineers, lawyers, Administrative Law Judges, analysts, specialists, administration, and more. You will join a team of individuals tackling issues related to the regulation of essential services in California. For more information on job opportunities and the CPUC's hiring process, please visit www.cpuc.ca.gov/careers or email CPUCRecruiter@cpuc.ca.gov.



## 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>.

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