

# Rulemaking (R.) 20-07-013 Phase 3

## Workshop #4

OCTOBER 4, 2023

&

OCTOBER 6, 2023 (OPTIONAL)

10:00 AM- 12:30 PM

**Purpose:**

The purpose of Workshop #4 is to discuss the issue of risk scaling (previous known as “risk attitude) and how it operates within the Risk-Based Decision-Making Framework (RDF). At a high level, risk scaling represents a stakeholder’s willingness to accept or avoid risks when making decisions. A risk scaling function can be either linear or non-linear and, if non-linear, can be described as either convex or concave. Although the RDF describes how the utilities must apply a chosen risk scaling function, it is not explicit about whose perceptions of risks should be reflected in the chosen risk scaling function—the utilities, ratepayers, or some subset of ratepayers.

**Expected Outcome:**

Workshop attendees will provide feedback on the benefits, costs and any additional revisions related to the identification of best practices for risk scaling and/or the adoption of minimum requirements regarding the risk scaling function for use in the RDF.

AGENDA ITEM	TIME
Introductions & Purpose and Expected Outcomes of Workshop 4	10:00 – 10:05 am
Opening Remarks: Commissioner Reynolds’ Office	10:05 - 10:10 am
Risk Scaling: TURN Presentation	10:10 – 10:40 am

AGENDA ITEM	TIME
Risk Scaling: PG&E Presentation	10:40-11:20 am
Break	11:20 – 11:25 am
General Discussion	11:25 am – 12:25 pm
CPUC Close	12:25 – 12:30 pm