Filings of Note

“All the Proceedings that are Fit to Print”

November 2017 edition

CPUC issues proposal on new fire-safety regs

New regulations would establish ‘high-threat’ districts with tighter guidelines

The California Public Utilities Commission issued a new proposed decision on Nov. 8 that would adopt new fire-safety regulations, including a new “High Fire-Threat District” where stricter fire-safety regulations will apply.

Parties to the proceeding (number R.15-05-006) have the opportunity to file comments on the proposal before the CPUC votes on the matter. The first opportunity for the CPUC’s Commissioners to vote on the proposal is at the Dec. 14 voting meeting in San Francisco.

Under the proposed decision, a High Fire-Threat District will be added to the provisions of the CPUC’s General Order 95 and would consist of three areas:

1. Tier 1 High Hazard Zones on the U.S. Forest Service-California Department of Forestry and Fire Protection (CAL FIRE) joint map of Tree Mortality High Hazard Zones;
2. Tier 2 of the CPUC Fire-Threat Map where there is an elevated risk for utility-associated wildfires;
3. Tier 3 of the CPUC Fire-Threat Map where there is an extreme risk for utility-associated wildfires.

The proposed decision would adopt additional fire-safety regulations. For example, electric utilities must:

- Prioritize correction of safety hazards based, in part, on whether the safety hazard is located in a high fire-threat district.
- Correct non-immediate fire risks in Tier 2 of a high fire-threat district within 12 months, and in Tier 3 within 6 months.
- Maintain increased clearances between vegetation and power lines throughout high fire-threat districts.
- Maintain more stringent wire-to-wire clearances for new and reconstructed facilities in Tier 3.
- Conduct annual patrol inspections of their overhead distribution facilities in rural areas of Tier 2 and Tier 3.
- Prepare a fire-prevention plan annually if they have overhead facilities in the high fire-threat district.

The regulations would allow electric utilities to disconnect service to customers who refuse to provide access to their property for the removal of trees posing an immediate threat for contacting a power line and communications infrastructure providers must conduct patrol and detailed inspections of their overhead facilities at specified frequencies in Tier 2 and Tier 3.

The Proposed Decision directs the CPUC’s Safety and Enforcement Division to confer with CAL FIRE regarding the development of a statewide fire-wind map by CAL FIRE for the purpose of establishing fire-wind-load regulations for utility infrastructure.

The CPUC Fire-Threat Map uses historical wind data and other information to identify areas where there is an elevated or extreme risk, but additional information, statistical analysis, and modeling is needed to develop a statewide fire-wind map that accurately identifies the frequency and severity of fire winds at a scale needed for cost-effective fire-wind-load regulations.

A final draft of the Fire-Threat Map is being reviewed by independent experts and scheduled to be filed with the CPUC by Nov. 17.

The Proposed Decision is available at http://docs.cpuc.ca.gov/PublishedDocs/Edocs/G000/M198/K355/198355203.PDF

What am I reading?

This is the first in a series of periodic newsletters sent out by the Commission in order to comply with the requirements of Senate Bill 512, which requires the CPUC to “seek the participation of those who are likely to be affected, including those who are likely to benefit from, and those who are potentially subject to, a decision in that proceeding.”

This newsletter is to keep you informed of proposed decisions by the CPUC’s Commissioners and Administrative Law Judges, as well as applications of note. Each month, we will feature one or two proposed decisions or applications that were filed since the prior newsletter, followed by a list summarizing the other filed CPUC decisions that month.

While not every proceeding will directly affect your stakeholders, and most ones that do will be sent directly to key groups by your area’s local liaison, it may be helpful to be informed of general CPUC activity.

For more information on the CPUC’s outreach efforts, visit www.cpuc.ca.gov/Outreach/, e-mail outreach@cpuc.ca.gov, or call (855) 421-0400.

Our liaisons are available to help you serve the people in your community. If you or community members have questions, it’s their job to get you the answers – either from themselves or the appropriate person at the CPUC.

Ultimately, their goal and role is to be your first call whenever you, colleagues, or residents have any question or concern about the CPUC or the entities that we regulate. Our mission is to keep you up-to-date on what’s happening at the CPUC and how it affects your community.
The California Public Utilities Commission approved a decision on Oct. 12 to allow the emerging field of competing power providers to offer “demand response” programs similar to those offered by large investor-owned utilities.

Demand response programs offer incentives to customers that reduce their energy use during times of peak demand, enabling the system operator to more effectively manage the grid.

The decision (D.17-10-017) adopts steps to implement the “Competitive Neutrality Cost Causation Principle,” which would allow competing providers (such as local government-owned Community Choice Aggregators [CCAs] and “direct access” companies that sell energy directly to consumers) to create and administer demand response programs on a level playing field with the investor-owned utilities (such as PG&E, SoCal Edison, and SDG&E).

Effective demand response programs provide California ratepayers with various economic and environmental benefits, but competing providers have reported barriers with the existing system. For example, demand response tariffs had sometimes been offered only to those customers that “bundled” services (i.e., having both electricity and natural gas service) from the utility — yet most CCA’s only offer electricity.

The decision requires the utilities to offer a bill credit to reimburse unbundled customers no longer eligible to participate in the utilities’ programs.

Under the new rules, a CCA’s demand response program would be considered similar to a utility’s program if it meets a number of criteria listed in the draft resolution.

The decision is the culmination of a four-year rulemaking process intended to retool demand response to align with the grid’s needs while enhancing the role of demand response in carrying out California’s energy policies.

The text of the decision is available online at: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M198/K319/198319901.PDF

The Docket: Filings of note from Oct. 1 to Oct. 31, 2017

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<td>A1710002 • 02-OCT-2017 • Southern California Gas Company Application of Southern California Gas Company (U904G) and San Diego Gas &amp; Electric Company (U902G) Regarding Feasibility of Incorporating Advanced Meter Data Into the Core Balancing Process.</td>
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<td><a href="http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M196/K474/196474233.PDF">http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M196/K474/196474233.PDF</a></td>
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A1710003 • 02-OCT-2017 • Ducor Telephone Company In the Matter of Application of Ducor Telephone Company (U1007C) to Review Intrastate Rates and Charges, Establish a New Intrastate Revenue Requirement and Rate Design, and Modify Selected Rates. | R1212011 • 4-OCT-17 • CMMR/RANDOLPH/CPUC Proposed Decision on Phase III.B. Issue: Criminal Background Checks Transportation Network Company (aka ride-sharing) Drivers. Approved on Nov. 9. |
| http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M196/K474/196474233.PDF | http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=196478351 |

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Docket: October Filings, continued from previous page

C1612004 • 5-OCT-17 • ALJ/BEMESDERFER/CPUC
Presiding Officer’s Decision authorizing removal of trees from almond groves in Escalon, Manteca, and Oakdale.

I1606010 • 6-OCT-17 • ALJ/KIM/CPUC
Presiding Officer’s Decision regarding alleged violations by San Francisco Bay Area Rapid Transit District relating to the October 19, 2013 fatal accident.

A1710007 • 06-OCT-2017 • San Diego Gas & Electric Company
Application of San Diego Gas & Electric Company (U902M) for Authority, Among Other Things, to Update its Electric and Gas Revenue Requirement and Base Rates Effective on January 1, 2019.

A1710008 • 06-OCT-2017 • Southern California Gas Company
Application of Southern California Gas Company (U904G) for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2019.

A1710009 • 05-OCT-2017 • Union Pacific Railroad Company
Application of the Union Pacific Railroad Company to Alter, Relocate, or Close the County Road 32A Railroad Grade Crossing in Yolo County, California (DOT#751224V).

R1710010 • 12-OCT-2017 • CPUC
Order regarding petition 17-03-004 to Consider Amendments to General Order 95. (Approved Oct. 20, 2017)
http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M197/K429/197429420.PDF

A1710015 • 16-OCT-2017 • MECCA TOURS, LLC
In the matter of the Application of MECCA TOURS, LLC, for Certificate of Public Convenience and Necessity to transport passengers and baggage express, on an on-call, city-to-city basis, between points in the cities/communities of Calexico, Mecca, Thermal, Coachella, Indio, San Bernardino, Colton, Riverside, Fontana, El Monte, Los Angeles (LA) and East-LA; and to establish a Zone-of-Rate-Freedom (ZORF) under Section 454.2 of the PU Code.

R1403003 • 16-OCT-17 • ALJ/SEMCER/CPUC
This decision modifies Decision (D.) 15-10-032 pursuant to the limited rehearing granted by D.16-04-013. The Commission finds that Public Utilities Code Section 453.5 does not apply to allocation of greenhouse gas allowance proceeds for the natural gas utilities.

A1610001 • 23-OCT-17 • ALJ/AYOADE/CPUC
This decision adopts and approves the All-Party Settlement Agreement between the California Public Utilities Commission’s Office of Ratepayer Advocates; The Ponderosa Telephone Co.; and Ponderosa Cablevision.

A1710016 • 23-OCT-2017 • California-American Water Company
Joint Application of California-American Water Company (U210W) and Cook Endeavors d/b/a Fruitridge Vista Water Company (U136W) for an Order Authorizing Cook Endeavors to Sell and California-American Water Company to Purchase the water utility assets of Cook Endeavors.

A1604001 • 26-OCT-17 • ALJ/TSEN/CPUC
This decision resolves issues pertaining to Southern California Edison Company’s Energy Resource Recovery Account compliance review application for the Record Period of January 1 through December 31, 2015. Opening comments are due November 15, 2017. Reply comments are due 5 days after the last day for filing comments.

A1702010 • 25-OCT-2017 • ALJ/HAGA/CPUC
This decision grants the City of Union City authorization to construct an at-grade rail pedestrian only crossing over Union Pacific Railroad's Oakland Subdivision at mile post 27.10 in the City of Union City, Alameda County. Opening comments are due November 14, 2017. Reply comments are due 5 days after the last day for filing comments.

A1703008 • 25-OCT-2017 • ALJ/WEATHERFORD/CPUC
Application to Modify Resolution W-4941 to Comply with Article X of the State Constitution. The Proposed Decision changes venue and transfers matter to Water Division. Opening comments are due no later than November 14, 2017. Reply comments are due 5 days after the last day for filing opening comments.

Continued on next page
An administrative law judge with the CPUC issued a decision on Oct. 6 that penalizes Bay Area Rapid Transit District (BART) for two fatalities that occurred in Contra Costa County.

On Oct. 19, 2013, a BART train struck and killed a BART manager and a contractor who were working on tracks between the Walnut Creek and Pleasant Hill stations.

The decision closes the CPUC’s formal investigation that was opened on June 28, 2016, and finds that BART, through several of its veteran managers, violated multiple safety rules. The decision further concludes that the “violations are egregious, particularly in view of the fact that they were committed by BART’s top-level veteran managers, and reflected BART’s organizational and management culture and attitudes toward safety at the time of the incident.”

The judge’s decision fines BART $659,000. However, two-thirds of the fine will be stayed and in lieu of the stayed fine, BART will be placed on probation for three years, during which BART must implement a number of safety measures, such as:

- Immediately begin tracking and submitting to the CPUC all applicable violations of safety rules, practices, policies, or procedures and details of corrective actions taken;
- Within six months, reevaluate its current safety training programs and culture and devise and begin implementing a plan to improve the effectiveness of its current safety training programs;
- Annually brief the CPUC on BART’s annual safety report and all updates on BART’s efforts to continually improve its safety culture and enhanced compliance with all of the applicable safety rules, practices, policies, and procedures.