

CPUC Small Group Recommendations Regarding Specified Strategic Directives

August 8, 2018

Agenda Item #	Relevant Strategic Directives	Direction from the Commission on March 21 st	Small Group Recommendations
1	<p>03 Reliability and Resiliency</p> <p>Small group leads: President Picker, Alice Stebbins</p>	<ul style="list-style-type: none"> ▪ Include data in the monitoring report that helps us understand not just averages but some of the extremes or outliers regarding resiliency and reliability. 	<p>1. Add the following data to this monitoring report:</p> <ul style="list-style-type: none"> - 10 worst circuits – and track progress in addressing them - CAIDI (Customer Average Interruption Duration Index)
2	<p>14 Coordination with Other Governmental Entities</p> <p>Small group leads: President Picker, Alice Stebbins</p>	<ul style="list-style-type: none"> ▪ In the monitoring report, present a standard set of data regarding CPUC’s relationships. 	<p>2. Create and maintain a matrix of CPUC’s government-to-government relationships that includes:</p> <ul style="list-style-type: none"> - Who are the parties to the agreement? - What level of government? (i.e. state, local, federal, tribal) - What is the topic? - Who initiated the agreement? - Which Division is involved? - What is the type of agreement? (i.e. informal, formal, etc.) <p>Present this matrix in the monitoring report and highlight progress over time.</p>
3	<p>02 Safety</p> <p>Small group leads: Commissioner Rechtschaffen, President Picker, Alice Stebbins</p>	<ul style="list-style-type: none"> ▪ Re-organize the SD to have two separate elements: one focused externally on regulated entities and one focused internally to CPUC. ▪ Present in the monitoring report a standard set of data of regulated entities’ safety performance. 	<p>3.a. See Attachment A for recommended revisions to SD-02 language.</p> <p>3.b. See Attachment B for recommended metrics that can be monitored over time for trends and that focus more on impact than process.</p>
4	<p>SDs with “consider the impacts of CPUC decisions” language</p> <p>Small group leads: Commissioners Randolph and Peterman, Alice Stebbins</p>	<ul style="list-style-type: none"> ▪ Determine what goal or value the Commission wants to express vis-à-vis each of these sub-elements. ▪ Clarify the language accordingly. 	<p>4. Strike this language from all relevant SDs and address consideration of “vulnerable populations” in CPUC’s mission statement (SD-01), which will be revisited later in the year.</p> <p>See Attachment C for proposed changes to applicable SDs.</p>

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5	<p>04 Rates and Affordability</p> <p>05 Universal Access/Service</p> <p>06 Consumer Protection, Education, and Assistance</p> <p>Small group leads: President Picker, Commissioner Guzman Aceves, Alice Stebbins</p>	<ul style="list-style-type: none"> ▪ Explore distilling essential concepts from SD-04, SD-05, and SD-06 into one or two strategic directives. 	<p>5. Combine SDs 04, 05, and 06 into a single SD entitled “Supporting and Empowering Consumers”</p> <p>See Attachment D for proposed language.</p>

ATTACHMENT A.1 TRACKED CHANGES

DRAFT REVISION

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Safety
Date of Adoption: June 23, 2016	Policy Number: SD-02
Date of Revision:	Resolution No.
	Resolution No.

The CPUC secures health and safety with a goal of achieving zero accidents and injuries across all the entities it regulates, and within the CPUC workplace.

Within its jurisdictional authority, the CPUC will focus on an organization-wide systematic approach to safety that:

1. ~~Continuously improves the safety culture within the entities the CPUC regulates through: Adopt an organization-wide systematic approach to safety that focuses on:~~
 - ~~a. Safety Policy: Adopting leading safety policies and standards that maximize safety in a cost efficient manner above and beyond compliance;~~
 - ~~b.a.~~ Risk Management: Continually identifying, assessing, and mitigating or eliminating the safety risk faced or posed by the entities the CPUC regulates;
 - ~~e.b.~~ Safety Assurance: Assuring that the entities the CPUC regulates comply with the law and have sufficient training and resources to ensure the safety of the public, their workers, and the environment;
 - ~~d.c.~~ Safety Promotion: Supporting efforts to assure that the public and CPUC-regulated entities, including their workers and customers, are able to make informed choices and know how to respond to unsafe situations.
- ~~2. Promote a continuously improving safety culture within the entities the CPUC regulates;~~
2. Promotes a safety culture within the CPUC by continuously improving safety oversight and outcomes and learning from experience—including near misses, incidents investigations, audits proceedings, consumer feedback and complaints.

Monitoring Method: Executive Director Report

Frequency: Annual

ATTACHMENT A.2 CLEAN VERSION

DRAFT REVISION

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Safety
Date of Adoption: June 23, 2016	Policy Number: SD-02
Date of Revision:	Resolution No.
	Resolution No.

The CPUC secures health and safety with a goal of achieving zero accidents and injuries across all the entities it regulates, and within the CPUC workplace.

Within its jurisdictional authority, the CPUC will focus on an organization-wide systematic approach to safety that:

1. Continuously improves the safety culture within the entities the CPUC regulates through:
 - a. Risk Management: Continually identifying, assessing, and mitigating or eliminating the safety risk faced or posed by the entities the CPUC regulates;
 - b. Safety Assurance: Assuring that the entities the CPUC regulates comply with the law and have sufficient training and resources to ensure the safety of the public, their workers, and the environment;
 - c. Safety Promotion: Supporting efforts to assure that the public and CPUC-regulated entities, including their workers and customers, are able to make informed choices and know how to respond to unsafe situations.
2. Promotes a safety culture within the CPUC by continuously improving safety oversight and outcomes and learning from experience—including near misses, incidents investigations, audits proceedings, consumer feedback and complaints.

Monitoring Method: Executive Director Report

Frequency: Annual

ATTACHMENT B PROPOSED METRICS FOR SD-02 SAFETY

August 8, 2018

Gas

1. Number of leaks
2. Percentage of lines inspected
3. Number of dig ins [or % of dig-ins per underground service alert tags?]
4. Significant injuries & fatalities – for contractors, employees, public
5. Reportable incidents
6. Backlog: Percentage of inspections & preventative maintenance work orders completed to according to schedule

Electricity

1. Line drops
2. Reportable incidents
3. Significant injuries & fatalities—contractors, employees, public
4. Backlog: Percentage of inspections & preventative maintenance work orders completed according to schedule
5. Percentage of trees removed/trimmed & other vegetation management actions carried out as part of vegetation management program [can be improved]
6. Fire ignitions

Telecommunications

1. 911 outages
2. Failures due to power outages
3. Failures during declared emergencies – number of failures & number of customers affected

Rail

1. Number of injuries & fatalities – heavy rail, light rail
2. Number of derailments
3. Number of rail violations
4. Number of crossing violations
5. Corrective actions --% of corrective actions that were effectively implemented

Passenger Carriers

1. Fatalities & injuries
2. Reported accidents
3. Number of permit & license violations

ATTACHMENT C SDs WITH “CONSIDER THE IMPACTS” LANGUAGE

August 8, 2018

SD	Sub-elements	Small Group Recommendations
<p>5 Universal Access</p>	<p>The CPUC seeks to provide Californians with access to necessary services from utilities and regulated entities.</p> <p>Within its jurisdictional authority, the CPUC will:</p> <ol style="list-style-type: none"> 1. Promote policies and rules that provide universal service for energy, communications, water, and transportation; 2. Administer the efficient and fair collection of applicable surcharges and fees that support its public purpose programs; 3. Facilitate the expansion of equitable access to energy, communications, water, and transportation services. 4. Consider the impacts of CPUC decisions and policies on a wide range of Californians, including people with disabilities. 	<ul style="list-style-type: none"> ▪ Strike sub-element 4 ▪ Take up the concept of “vulnerable populations” in CPUC’s mission statement
<p>8 Climate Change</p>	<p>The CPUC promotes greenhouse gas (GHG) reductions through its decisions and leadership for the benefit of California’s residents, ecosystems, climate and economy.</p> <p>Within its jurisdictional authority, the CPUC will:</p> <ol style="list-style-type: none"> 1. Further California’s goal to reduce GHG emissions to 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050; 2. Consider adaptation to the impacts of climate change in CPUC decisions and assure that activities by CPUC-regulated entities are so informed. 	<ul style="list-style-type: none"> ▪ Strike sub-element 2 ▪ Replace sub-element 2 with language more congruous with sub-element 1 by referring to the state’s goal for adaptation to the impacts of climate change
<p>9 Environmental Sustainability</p>	<p>The CPUC implements state and federal law and develops policies that are consistent with California’s environmental sustainability laws and goals.</p> <p>Within its jurisdictional authority, the CPUC will:</p> <ol style="list-style-type: none"> 1. Consider the impact of CPUC decisions and policies on California’s natural resources and communities; 2. Consider the environmental and public health impacts of CPUC decisions and policies on California’s disadvantaged communities. 	<ul style="list-style-type: none"> ▪ Strike this SD in its entirety and take up the concept of “vulnerable populations” in CPUC’s mission statement

ATTACHMENT C SDs WITH “CONSIDER THE IMPACTS” LANGUAGE

August 8, 2018

SD	Sub-elements	Small Group Recommendations
<p>10 Economic Prosperity</p>	<p>The CPUC promotes a strong California economy that provides jobs and general prosperity.</p> <p>Within its jurisdictional authority, the CPUC will:</p> <ol style="list-style-type: none"> 1. Encourage regulated entities to purchase goods and services competitively from a wide and diverse range of potential suppliers; 2. Encourage innovation, competition, and consumer choice in the services and technologies available to consumers; 3. Consider the economic impact of CPUC decisions and policies on California’s disadvantaged communities and low-income individuals; 4. Analyze and seek to minimize the costs and adverse economic impacts of regulatory actions; 5. Consider the impact of CPUC decisions and policies on California jobs and employers. 	<ul style="list-style-type: none"> ▪ Strike sub-element 3 ▪ Take up the concept of “vulnerable populations” in CPUC’s mission statement ▪ Strike sub-element 5 because it is redundant with sub-element 4

ATTACHMENT D.1 CONSOLIDATED SD-04, SD-05, SD-06

DRAFT REVISION

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Supporting and Empowering Consumers
Date of Adoption:	Policy Number: SD-04
Revision:	Resolution No.
	Resolution No.

Internal Note: this SD would replace current SDs 04, 05, and 06.

The CPUC promotes policies and rules that provide customers access to and affordable essential services for energy, communications, water and transportation.

Within its jurisdictional authority, the CPUC will:

1. Educate and assist consumers with the services they use, ensure accuracy and accessibility of consumer and rate information from regulated entities so that consumers can make informed choices, minimize costs and gain fair value from service providers.
2. Assist customers in filing, tracking and resolving complaints; monitor trends; and, prosecute violations of law or CPUC rules, including instances of fraud and abuse.
3. Administer the efficient and fair collection of surcharges and fees that support public purpose programs and to equitably expand services to those who are underserved.
4. Ensure that any necessary and appropriate rate changes are approved in a timely manner and are fairly amortized over time.
5. Where the CPUC does not directly regulate prices, monitor market conditions and take appropriate action to keep rates and costs just and reasonable, including representing the interests of California ratepayers before the Federal Energy Regulatory Commission and the Federal Communications Commission.

Monitoring Method: Executive Director Report

Frequency: Annual

ATTACHMENT D.2 CURRENT SD-04, SD-05, SD-06

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Rates and Affordability
	Policy Number: SD-04
Date of Adoption: June 23, 2016	Resolution No.
Date of Revision:	Resolution No.

The CPUC ensures that rates are just and reasonable.

Within its jurisdictional authority, the CPUC will:

1. Assure that essential services remain affordable for Californians, while also assuring safety and reliability;
2. Ensure that any necessary and appropriate rate changes are approved in a timely manner and are fairly amortized over time;
3. Help consumers understand services and rate changes and assure that regulated entities provide the information and tools to inform choices and minimize costs;
4. For services where the CPUC does not directly regulate prices, monitor market conditions and take appropriate action if it appears that rates are no longer just and reasonable;
5. Represent the interests of California ratepayers before the Federal Energy Regulatory Commission and the Federal Communications Commission to advance these directives.

Monitoring Method: Executive Director Report

Frequency: Annual

ATTACHMENT D.2 CURRENT SD-04, SD-05, SD-06

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Universal Access/Universal Service
	Policy Number: SD-05
Date of Adoption: June 23, 2016	Resolution No.
Date of Revision:	Resolution No.

The CPUC seeks to provide Californians with access to necessary services from utilities and regulated entities.

Within its jurisdictional authority, the CPUC will:

1. Promote policies and rules that provide universal service for energy, communications, water, and transportation;
2. Administer the efficient and fair collection of applicable surcharges and fees that support its public purpose programs;
3. Facilitate the expansion of equitable access to energy, communications, water, and transportation services.
4. Consider the impacts of CPUC decisions and policies on a wide range of Californians, including people with disabilities.

Monitoring Method: Executive Director Report

Frequency: Annual

ATTACHMENT D.2 CURRENT SD-04, SD-05, SD-06

August 8, 2018

COMMISSION POLICY	
Category: Strategic Directive	Title: Consumer Protection, Education, and Assistance
	Policy Number: SD-06
Date of Adoption: June 23, 2016	Resolution No.
Date of Revision:	Resolution No.

The CPUC protects, educates, and assists consumers in their purchase and use of services from utilities and regulated entities.

Within its jurisdictional authority, the CPUC will:

1. Ensure and assure the accuracy and accessibility of consumer information;
2. Identify consumer complaints and trends and prosecute violations of law or CPUC rules, including instances of waste, fraud, and abuse;
3. Assist consumers in filing, tracking, and resolving complaints;
4. Educate and assist consumers concerning the services they use.

Monitoring Method: Executive Director Report

Frequency: Annual