



CPUC Public Agenda 3361
Thursday, August 13, 2015 9:30 a.m.
San Francisco, CA



Commissioners:
Michael Picker, President
Michel Peter Florio
Catherine J.K. Sandoval
Carla J. Peterman
Liane M. Randolph

www.cpuc.ca.gov





The Pledge of Allegiance



“I pledge allegiance to the Flag of the
United States of America,
and to the Republic for which it stands,
one nation under God,
indivisible,
with liberty and justice for all.”





Safety and Emergency Information

- In the event of an emergency, please calmly proceed out the exits.
- We have four exits: Two in the rear and one on either side of the speakers.
- In the event that we do need to evacuate the building:
- **(For the Rear Exits)** - Head out through the courtyard, and down the front steps. Continue east on McAllister Street. Turn south onto Polk Street / Carlton B. Goodlett Place.
- **(For the Side Exits)** - Go out of the exits and you will be on Golden Gate Avenue and proceed east pass Van Ness Avenue to Polk Street and turn south and continue to Civic Center Plaza.
- Our assembly point is Civic Center Plaza on McAllister Street and Polk Street [Dr. Carlton B. Goodlett Place].





Public Comment

- Per Resolution ALJ-252, any member of the public (excluding parties and their representatives) who wishes to address the CPUC about matters before the Commission must sign up with the Public Advisor's Office table before the meeting begins. If an individual has signed up using the electronic system on the Commission's website, they must check in with the Public Advisor's Office on the day of the meeting, by the sign-up deadline.
- Once called, each speaker has up to 3 minutes at the discretion of the Commission President. Depending on the number of speakers, the time limit may be reduced to 1 minute.
- A sign will be posted when 1 minute remains.
- A bell will ring when time has expired.
- At the end of the Public Comment Section, the Commission President will ask if there are any additional individuals who wish to speak. Individuals who wish to speak but did not sign up by the deadline, will be granted a maximum of one minute to make their comments.

The following items are NOT subject to Public Comment:

- 9, 23, 33, 36, 50
- All items on the Closed Session Agenda





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- Once called, each speaker has up to 2 minutes at the discretion of the Commission President. Depending on the number of speakers, the time limit may be reduced to 1 minute.
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Public Agenda Changes

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.

- Items on Today's Consent Agenda are: 1, 2, 6, 7, 8, 9, 10, 11, 12, 13, 17, 19, 20, 21, 22, 24, 26, 27, 28, 29, 30, 31, 32, 34, 35, 38, 39, 40, 41, 42, 43, 44, 45, 46, and 47.
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- Items 52t, 53e, and 54f from the Regular Agenda have been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- Item 16 has been moved to the Regular Agenda.
- Items 3, 5, 15, and 37 have been withdrawn.
- The following items have been held to future Commission Meetings:
 - Held to 8/27/15: 4, 14, 16, 18, 25, 33, 36, 48, 49, 49a, 51, 52 (except 52t), 53 (except 53e), 54 (except 54f)
 - Held to 9/17/15: 23.





Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's final decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: www.cpuc.ca.gov.
- Late changes to agenda items are available on the Escutia Table.





Regular Agenda – Energy Orders

Item # 16 [14142] – San Diego Gas & Electric Company for Authority to Update Electric Rate Design Effective on January 1, 2015

A14-01-027 – Application of San Diego Gas & Electric Company for Authority to Update Electric Rate Design Effective on January 1, 2015.

Ratesetting

Comr. Florio / Judge Roscow

PROPOSED OUTCOME:

- Denies without prejudice San Diego Gas & Electric Company's (SDG&E) request to modify its time-of-use periods. SDG&E may introduce such a proposal in its currently-open General Rate Case Phase 2 proceeding, should it choose to do so.
- Denies SDG&E's proposed rate design changes that depend on its proposed time-of-use periods.
- Finds SDG&E to be in compliance with the requirements of Decision 11-07-029 regarding the preparation and submittal of certain rate design proposals and analyses regarding plug-in hybrid and electric vehicles.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with the outcome of this proceeding.

ESTIMATED COST:

- There are no costs associated with the outcome of this proceeding at this time.





Regular Agenda – Energy Orders

Item # 48 [14147] – Approving Southern California Gas Company Application to Establish a Distributed Energy Resources Services Tariff

A14-08-007

Comr. Peterman / Judge Kersten

PROPOSED OUTCOME:

- Grants Southern California Gas Company's (SoCalGas) Application to establish a Distributed Energy Resources Services (DERS) Tariff by which SoCalGas will facilitate the adoption and use of combined heat and power (CHP) "advanced energy systems," subject to specific modifications, terms, and conditions.
- Among other things, finds that the DERS Tariff, when subjected to the cost-based pricing methodology, enhanced market mitigation measures, and reporting and accounting requirements adopted, is in the public interest because it:
 - Meets untapped demand in underserved markets for smaller customers who would benefit from CHP, offers additional choices to customers, and supports innovative business partnerships;
 - Protects ratepayer interests and guards against unfair competition consistent with the Commission's Affiliate Transaction Rules; and
 - Makes more widely available a service that reduces the health and environmental impacts from air pollution, reduces greenhouse gas emissions, and provides operational efficiencies, consistent with California environmental goals.
- Denies the proposed Joint Settlement Agreement entered into by SoCalGas and the Office of Ratepayer Advocates.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- Allows the Commission to continue to fulfill its duties under Pub. Util. Code § 451, including to take all actions necessary to promote the safety, health, comfort, and convenience of utility patrons, employees, and the public.

ESTIMATED COST:

- Unknown.





Regular Agenda – Communication Orders

Item # 49 [13913] – Deferring Network Study Requirement

R11-12-001 – Order Instituting Rulemaking to Evaluate Telecommunications Corporations Service Quality Performance and Consider Modification to Service Quality Rules.

Quasi-Legislative

Pres. Picker / Judge Bushey

PROPOSED OUTCOME:

- Defers network study requirement.

SAFETY CONSIDERATIONS:

- AT&T California and California Verizon Inc. remain responsible for safe and reliable operation of their networks.

ESTIMATED COST:

- There are no costs associated.





Regular Agenda – Communication Orders

Item # 49a [14111] – COMMISSIONERS FLORIO AND SANDOVAL'S ALTERNATE TO ITEM 13913

R11-12-001 – Order Instituting Rulemaking to Evaluate Telecommunications Corporations Service Quality Performance and Consider Modification to Service Quality Rules.

Quasi-Legislative

Comrs. Florio and Sandoval

PROPOSED OUTCOME:

- Affirms and renews the Commission's order in Decision 13-02-023 for completion of a study of telecommunications carrier network infrastructure, facilities, policies, and practices that was ordered in 2013.

SAFETY CONSIDERATIONS:

- Completion of this study will assist the Commission in ensuring that existing telecommunications network infrastructure, facilities, policies, and practices support a level of service consistent with public safety and customer needs, as required in Public Utilities Code Section 451 and other statutes.

ESTIMATED COST:

- \$1.5 million, already ordered to be provided by the subject telecommunications carriers, AT&T California and Verizon California, Inc.





Commissioner Sandoval Report Verizon /Frontier Transfer Applications, Workshops, Facility Tours, and Public Participation Hearings



Commissioner Catherine Sandoval
California Public Utilities Commission

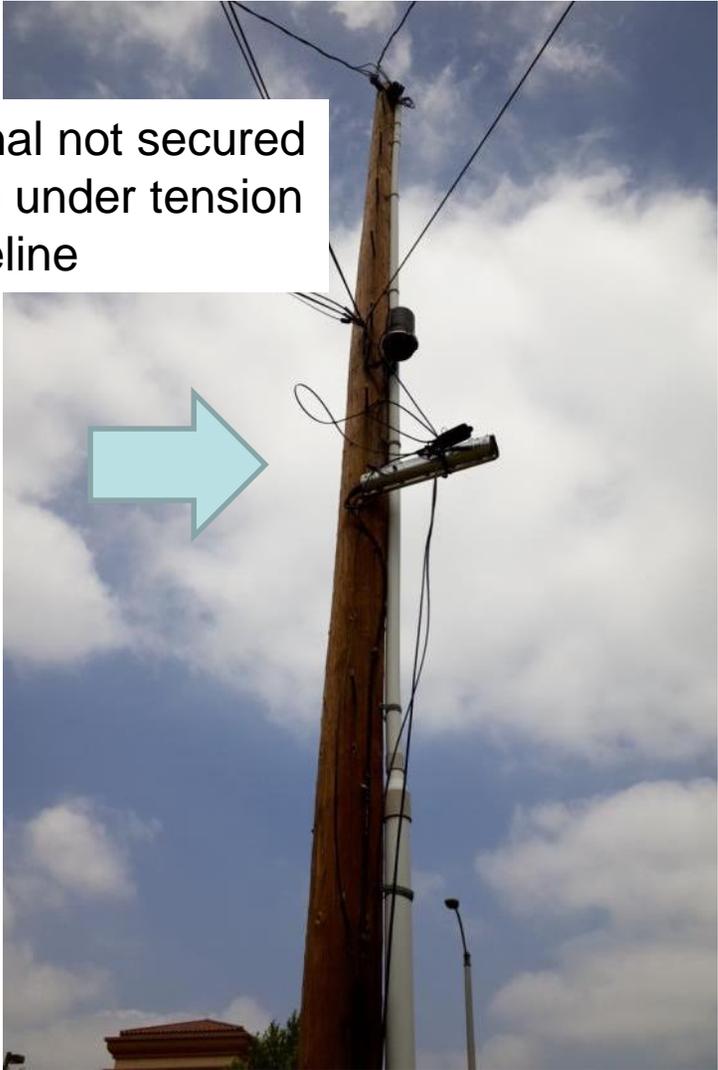
August 13, 2015





Closure and terminal not secured to pole; aerial drop under tension
12226 Pipeline

Damage to pole, broken and breached insulation
12226 Pipeline



Chino

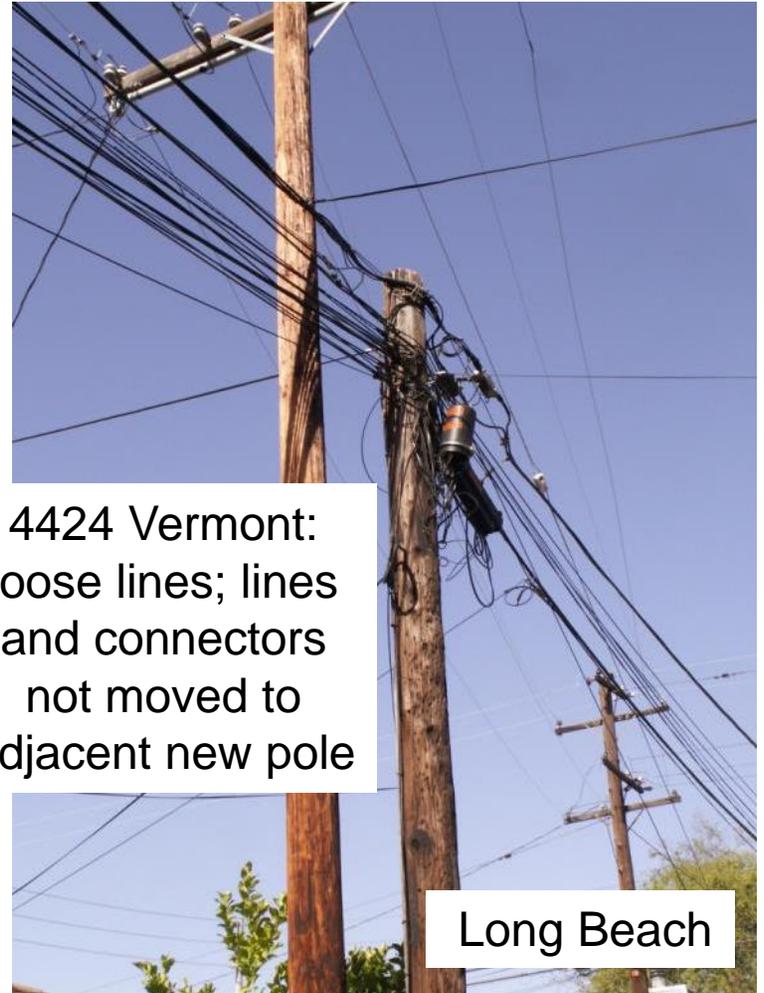




Chino



Absent protection tubing,
exposed lines and insulators
12226 Pipeline



4424 Vermont:
loose lines; lines
and connectors
not moved to
adjacent new pole

Long Beach





Long Beach



Barker Way: loose lines, inadequate spacing; exposed connectors

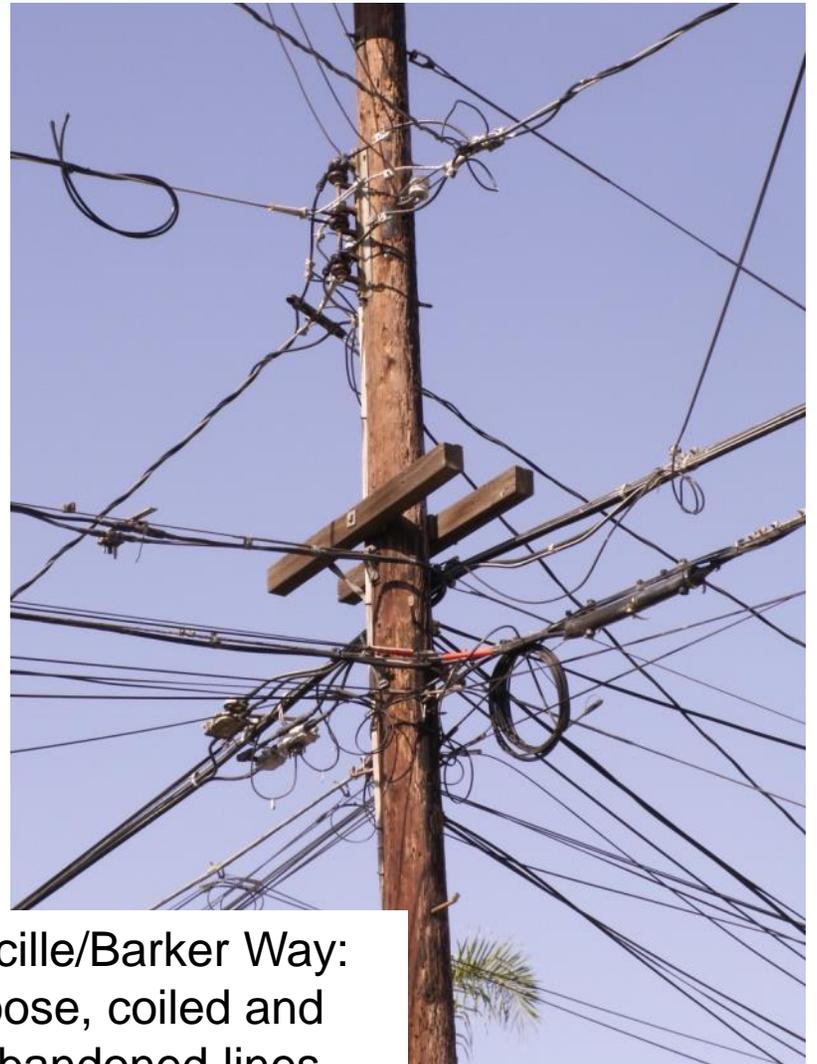


Lucille: loose and coiled wires





Barker/Tremont: loose and abandoned lines



Lucille/Barker Way: loose, coiled and abandoned lines

Long Beach





364 Ximeno: hanging,
disconnected lines

Long Beach





Cable lines touching roof,
GO 95 Violation



Broken sheath, line
exposed, GO 95 Violation

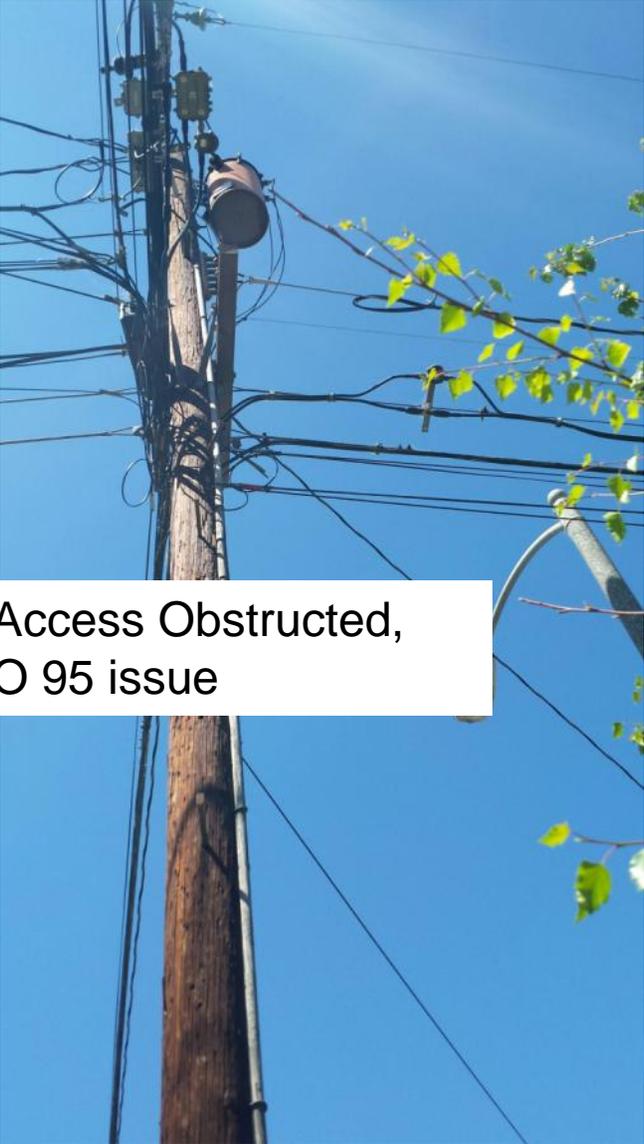
Long Beach





Excess wires between poles

Long Beach



Pole Access Obstructed,
GO 95 issue





Regular Agenda – Orders Extending Statutory Deadline

Item # 50 [14186] – Order Extending Statutory Deadline

I11-02-016 – Order Instituting Investigation on the Commission’s Own Motion into the Operations and Practices of Pacific Gas and Electric Company with Respect to Facilities Records for its Natural Gas Transmission System Pipelines.

Adjudicatory

Pres. Picker / Judge Yip-Kikugawa

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until October 23, 2015.

SAFETY CONSIDERATIONS:

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated.





Commissioners' Reports





Commissioner Sandoval Report Verizon /Frontier Transfer Applications, Workshops, Facility Tours, and Public Participation Hearings



**Commissioner Catherine Sandoval
California Public Utilities Commission**

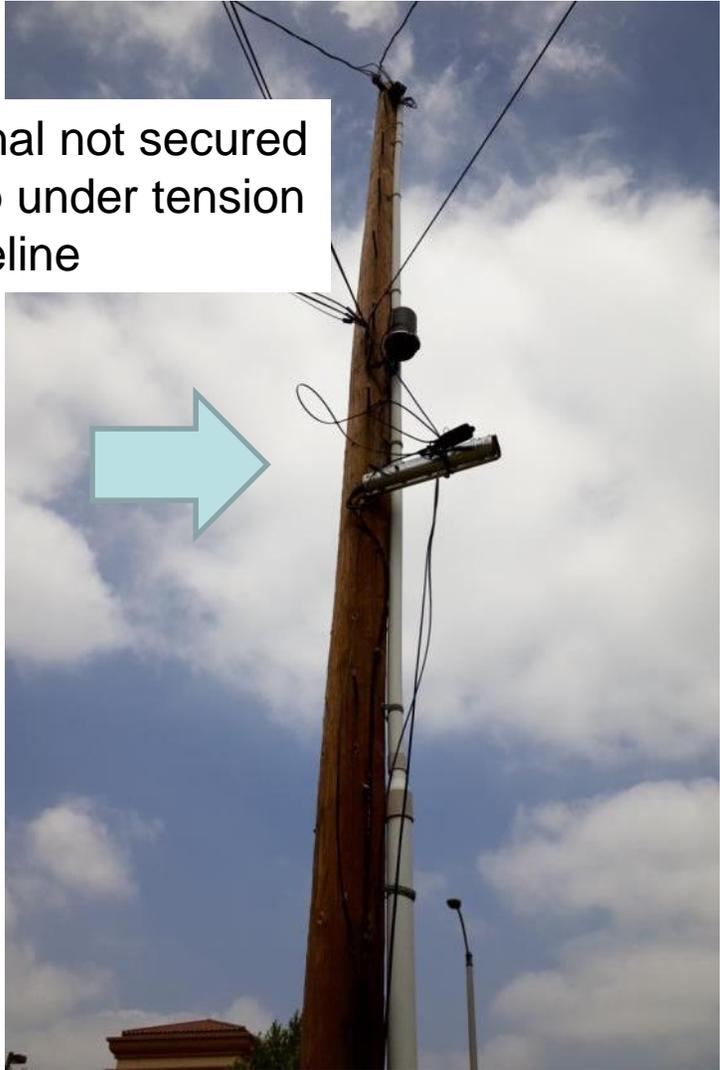
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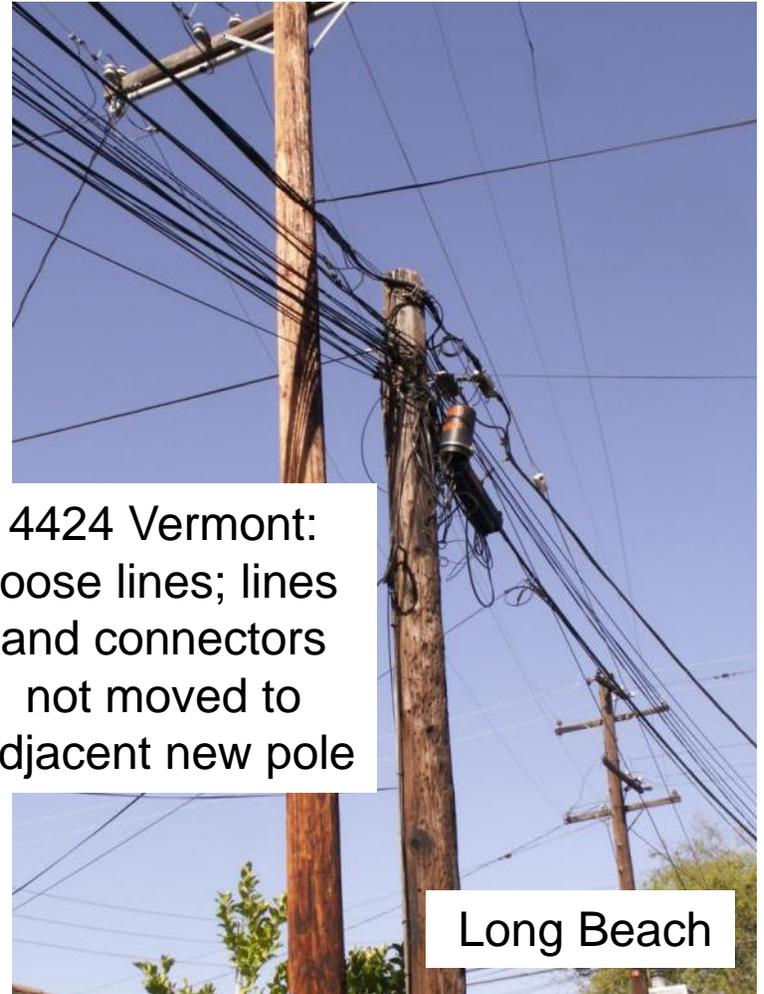




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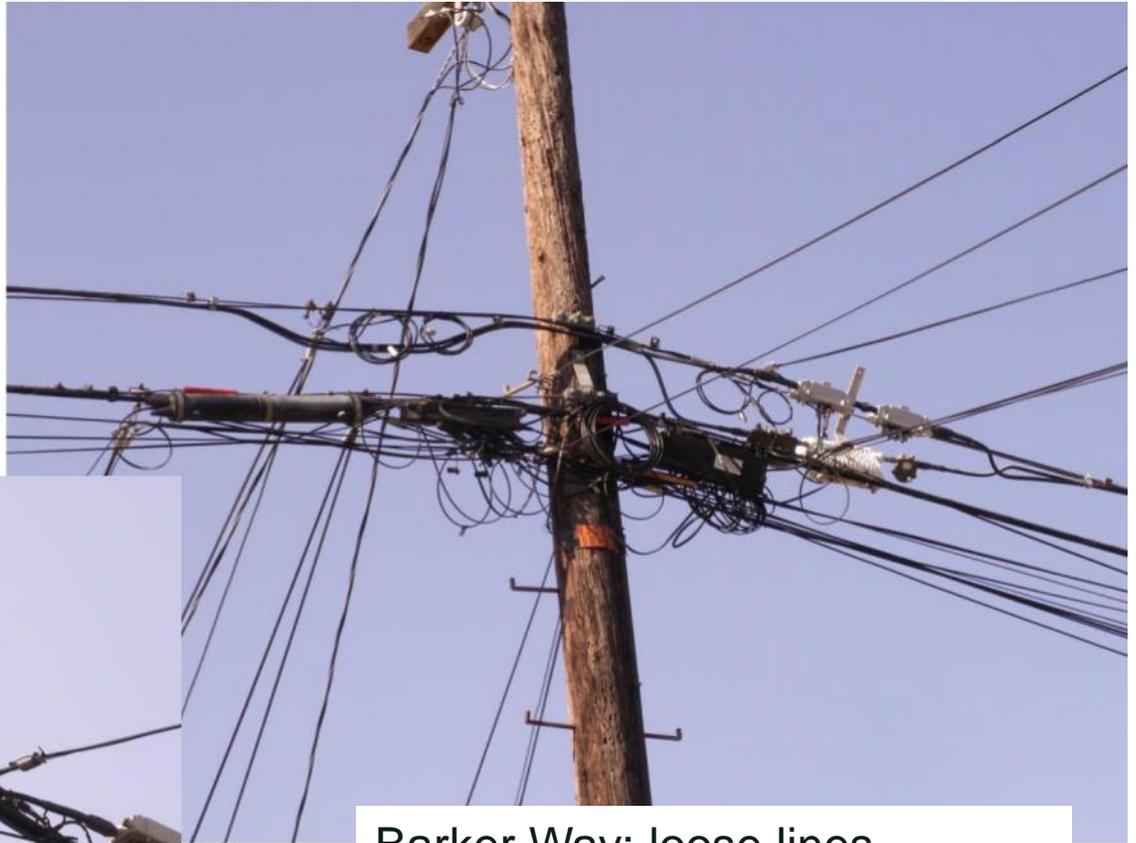
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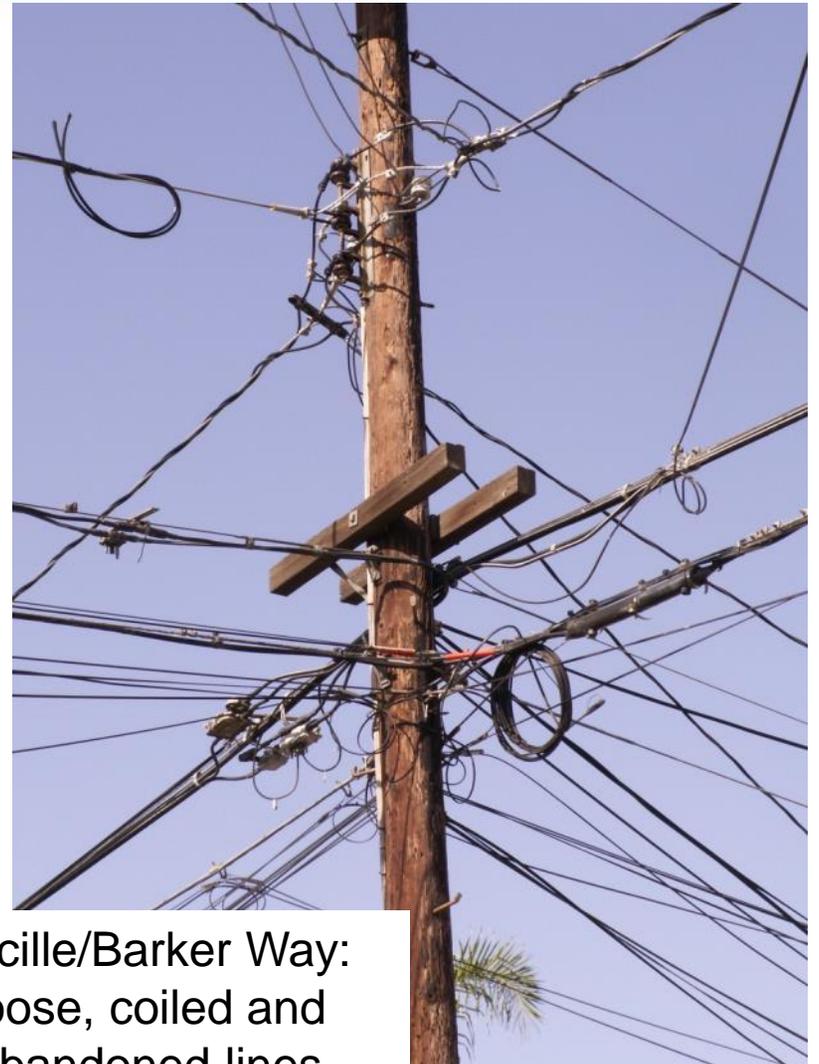


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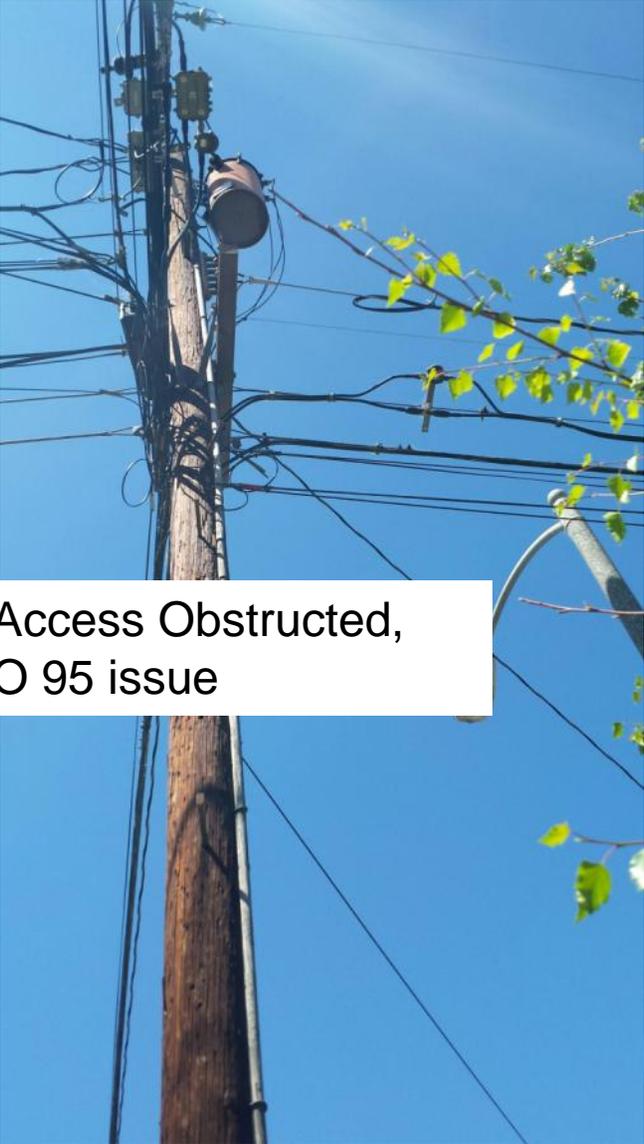
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Long Beach



Pole Access Obstructed,
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Commissioners' Reports





Management Reports





Regular Agenda – Management Reports and Resolutions

Item #55 [14069]

Report and Discussion by Safety and Enforcement Division on Recent Safety Program Activities





Management Reports





Regular Agenda – Management Reports and Resolutions

Item #56 [14070]

Management Report on Administrative Activities





California Public Utilities Commission

Briefing on federal Clean Power Plan



August 13, 2015





August 3, 2015 Clean Power Plan Actions

- Final 111(b) rule for new, modified, reconstructed power plants
- Final 111(d) rule for existing power plants
- Proposed federal rule for existing plants





August 3, 2015 Clean Power Plan Actions

- Final 111(b) rule for new, modified, reconstructed power plants
- **Final 111(d) rule for existing power plants**
- Proposed federal rule for existing plants





Final 111(d) Rule for Existing Power Plants

Same as draft:

- EPA sets standards based on “Best System of Emission Reduction”
 - EPA identified “Building Blocks” of BSER
- States submit plans to meet standards
 - Wide latitude for states in programs to meet standards

Differences from draft:

- Revised Building Blocks
- Applied on per-unit basis that states can aggregate
- Trading strongly supported
- Initial compliance pushed to 2022 and states can specify glidepath to 2030





Setting the Emission Rate

1. Three building blocks compose Best System of Emission Reduction:
 - Coal-fired EGU heat rate improvements
 - Shift to gas
 - More renewables
2. Applied emissions reductions to average emissions rate for coal and gas
 - Coal/oil steam generator 1,335 lbs/MWh
 - Natural gas combined cycle 771 lbs/MWh

However, as in the draft rule, states have flexibility to comply using any combination of measures





How States Comply

States can choose rate-based or mass-based goal

Applied at the plant-, utility-, state-, or multi-state level

Rate-based plans can trade Emission Reduction Credits

Mass-based plans can trade allowances

Early-action Clean Energy Incentive Program





Compliance Schedule

Compliance plans (or initial submittals with extension requests) due by September 6, 2016

- Progress update for extension requests due by September 6, 2017
- Compliance plans for states with extensions due September 6, 2018

- Early-action (CEIP) period 2020-2021
- Interim Compliance period 2022-2029
- Final compliance period begins 2030





California Targets

	Rate-based (lbs/MWh)	Mass-based (short tons)
Baseline (2012)	963	46.1
Projection without CPP in 2020	712	54.6
Interim Period Average	907	51
Final goal 2030 and beyond	828	48.4





Next Steps

Multi-agency workgroup led by CARB (with CEC, CPUC, ISO) continuing to analyze rule

Joint state agency workshop tentatively scheduled late September 2015

Continue stakeholder engagement through plan development

Cautiously optimistic for state plan submittal in 2016

Continue to communicate with EPA and other states to evaluate opportunities for regional collaboration





Regular Agenda – Management Reports and Resolutions

Item #56 [14070]

Management Report on Administrative Activities





Management Reports





The CPUC Thanks You For Attending Today's Meeting

**The Public Meeting is adjourned.
The next Public Meeting will be:**

**August 27, 2015 at 9:30 a.m.
in San Francisco, CA**

