CPUC Provides San Joaquin Valley Residents with Cleaner and Safer Energy Options

By CPUC Commissioner Martha Guzman Aceves

In California, we know climate change is real. We also know that methane and carbon emissions are some of the leading culprits in this accelerating change. And according to the state’s 4th Climate Assessment released last August, San Joaquin Valley residents as a result face more intense and frequent heatwaves, increased and prolonged droughts, and greater risks of natural disasters such as catastrophic floods and wildfires.

San Joaquin communities are also more vulnerable to a number of likely public health threats, from increases in waterborne diseases and—as the report spells out—being “less equipped to rebound from such events given their rural geography and historic underinvestment.”

On top of all that, San Joaquin residents already face the most extreme energy burdens in the state and pay a much larger percentage of their income on energy costs. And there is an additionally hampered sub-population in the San Joaquin Valley, with even higher energy burdens and direct, daily exposure to air pollution because without access to clean, affordable energy, they’re forced to burn wood and propane to heat their homes and cook their food.

Over the course of last summer, at well-attended workshops in schools and gymnasiums in small towns like Allensworth, Alpaugh, and Le Grand, the CPUC heard from many of these residents.

We heard from people who endure cold showers and cold food when their propane or wood run out. We heard stories about being manipulated and taken advantage of by unregulated propane suppliers, and about having to put kids to bed cold and even hungry because the fuel was gone. We heard stories about bad health and other impacts from air quality in the region that is notoriously bad and unhealthy, particularly in winter when so many people don’t have the clean energy options the rest of us enjoy.

Lucy Hernandez, a grandmother in West Goshen, sounded like a lot of the people we heard from when she spoke about how hopeful she could soon be better.

“I’m very excited about this project for our community’s children,” she said during our workshop in Tulare. “They don’t only go to sleep hungry. They go to sleep cold and hungry. We don’t want our kids missing out on their education because in the winter they get sick with a cold or the flu and have to miss school.”

As the mother of two children in a state with so much wealth, I found stories like Lucy’s heartbreaking and outrageous. It’s gratifying to be able to finally offer several thousand San Joaquin Valley residents cleaner and safer energy alternatives.
San Joaquin Energy: continued from page 1

At the last CPUC Voting Meeting of 2018, we approved a $56 million investment for pilot projects in 11 San Joaquin Valley communities, some of which have been trying to get natural gas for their residents for an astonishing 50 years. In addition to the benefits from cleaner energy and healthier air, the program also has a big economic development component. With more energy alternatives and the infrastructure to deliver them, it should become easier to attract other investments, housing, and jobs.

I am proud of the CPUC’s decision to bring cleaner, affordable energy to communities in California that have been long unserved and overlooked. And I am even prouder of these communities themselves, and of their tenacity and commitment. It has been a long road, and these pilots are just another step, but they will provide energy efficiency upgrades, solar benefits, job training, and more — while reducing energy costs and pollution.

Kayode Kadara of Allensworth, one of the many community members who helped organize the workshops and get this past the finish line, said, “For communities like mine, it means more people will be able to get some of the benefits that are supposed to come from living in America. I see this as part of an overall process to improve the quality of life in these disadvantaged communities. We have a lot of other things we need to do, but this is an important step.”

The CPUC’s action dates back to Assembly Bill 2672, which was signed by former Governor Jerry Brown in 2015. The legislation called for increasing affordable access to energy for disadvantaged communities in the San Joaquin Valley, but we first had to identify eligible communities and households and meet with residents to determine which clean energy strategies would work best. Collectively, we’ll learn from the different experiences and seek to replicate the successes in other communities during the next phase of our still-open proceeding.

The pilot programs will allow eligible households to replace at no cost their propane or wood-burning appliances with new energy efficient appliances—either electric or natural gas, depending on the city—and will allow for some minor home upgrades if necessary. The pilot program communities will also benefit from a Community Energy Navigator program to inform, engage, and assist participating residents. And we’ll build in basic bill protections to ensure that energy costs do not go up for participants.

Here are more details of the approved pilot projects:

- More than 900 homes in Alpaugh, Fairmead, Lanare, La Vina, Le Grand will be eligible for an electrification project with community solar discount components by a yet-to-be-selected third-party project administrator. Total investment: $25.8 million.
- More than 300 homes in Allensworth, Cantua Creek, and Seville will be eligible for an electrification project with community solar discount components to be administered by Pacific Gas & Electric Company. Total investment: $9.7 million.

The Docket: Proceedings Filed at the CPUC in Nov. & Dec. 2018

A1811001 • 01-Nov-2018 • Pacific Gas and Electric Company Application of Pacific Gas and Electric Company to issue, sell, and deliver one or more series of Debt Securities and to guarantee the obligations of others in respect of the issuance of Debt Securities, the total aggregate principal amount of such long-term indebtedness and guarantees not to exceed $6.1 billion; to execute and deliver one or more indentures; to sell, lease, assign, mortgage, or otherwise dispose of or encumber utility property; to issue, sell and deliver in one or more series, cumulative Preferred Stock — $25 Par Value, Preferred Stock — $100 Par Value, Preference Stock or any combination thereof; to utilize various debt enhancement features; and enter into interest rate hedges. (U39M). http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=237661308


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- Nearly 450 homes in California City, Ducor, and West Goshen will be eligible for an electrification project with community solar discount components to be administered by Southern California Edison. Total investment: $5.6 million.
- An additional 224 homes in California City will be eligible for a natural gas project, including gas line extensions and appliance replacements, to be administered by Southern California Gas Company. Total investment: $5.6 million.

Everyone involved knows there is a tremendous amount of work yet to be done. But we are excited about the positive impacts and value of investing in communities that have long been bypassed. As California continues its work of reducing its methane or carbon emissions, we must also meet the challenge of our heating needs—for both water and living and work spaces—with cleaner energy. Most notably, the Legislature and the California Air Resources Board are directing that these heating needs be met with clean electricity. At the same time, we must also recognize that for now, the efficacy and monthly costs of heating with electricity are largely unknown for cold winter communities like those in the San Joaquin Valley and elsewhere.

As we work to meet this challenge in communities across California, the larger benefit from these pilot projects is that they will give us the experience and reliable data needed to determine the best ways of continuing to reduce carbon and methane emissions while also keeping monthly bills affordable.

Docket: Nov. and Dec. Filings, continued from page 2


A1811007 • 07-Nov-2018 • Megabus West, LLC Application of Megabus West, LLC (PSC-30650) for authority to add additional service points and rates within Alameda County, Fresno County, Imperial County, Kerns County, Kings County, Los Angeles County, Monterey County, Orange County, Riverside County, Sacramento County, San Bernardino County, San Diego County, San Francisco County, San Joaquin County, San Luis Obispo County, Santa Barbara County, San Mateo County, Santa Clara County, Santa Cruz County, Solano County, Sonoma County, and Stanislaus County to existing scheduled passenger stage corporation service between points in Anaheim, Los Angeles, San Francisco, Burbank, San Jose, Oakland, and Sacramento, and to extend a Zone of Rate Freedom. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=237709882


R1210012 • 09-Nov-2018 • CMMR/GUZMAN ACEVES/CPUC Decision implementing the California Advanced Services Fund Infrastructure Account Revised Rules. http://docs.cpuc.ca.gov/Continued on page 4
Fond Farewell to Commissioner Peterman

The CPUC’s last Voting Meeting of 2018 had a typically crowded agenda with a lot to discuss. But there was still time at the end for one more important piece of business—thanking outgoing Commissioner Carla J. Peterman for six years of service and the admirable personal and professional qualities she brought to the job.

As the first African-American woman appointed to the California Energy Commission and to the CPUC by former Governor Jerry Brown, Peterman has been a true trailblazer. With two Master’s Degrees from Oxford University in England, where she was a Rhodes scholar, and a Doctor of Philosophy in energy and resources from UC Berkeley, Peterman has an impressive resume and long list of professional accomplishments.

But it’s a safe bet that her tenure will be remembered as much as anything for her studious, even-tempered demeanor and for the grace, dignity, wit, and dedication she brought to everything she worked on and everyone she encountered.

“There’s too long a list to say everything that I find most admirable about Carla but the things that rise to the top are her incredible technical rigor—she will outwork anybody and when she does something it has great technical rigor—and (her) great intellectual integrity,” Commissioner Clifford Rechtschaffen said of his colleague. “She also has a great ability to work with people to forge compromises, to use common sense and pragmatism . . . She also has a lot of decency and humility. Carla’s the ultimate professional. She doesn’t take any cheap shots, she doesn’t bad-mouth people. She treats everyone with respect. She’s very easy to work with, while being strong.”

With her term expiring in January 2019, Peterman announced earlier in the year that she was ready to move on and had a few words to say about her experience as a California energy, water, communications, and transportation regulator.

“Sitting in this seat over the last six years has been very special and this is a very special seat,” she said. “I remember sitting in the audience (in 2006) as an intern. I remember a Commission meeting where I had to introduce myself as an intern and the room seemed so big. To go from that to be appointed to the Public Utilities Commission has been the manifestation of my purpose and a dream come true.”

During her time on the CPUC, Peterman was a calm and steady leader on a number of issues, including transportation electrification, energy storage, energy efficiency, social equity, and more. She also was lead Commissioner on some of the more complex issues that the CPUC tackled, such as coming up with an equitable financial methodology so electricity customers did not pay more than their fair share in the switch from getting electricity supplied by new Community Choice Aggregators rather than the state’s investor-owned utilities.

Her fellow Commissioners praised her energy, sense of humor, work ethic, and her charm. Commissioner Martha Guzman Aceves even compared her to a Manhattan because, like Peterman, the popular mixed drink is “strong . . . eloquent and it’s classic. And a really good one, which she does, always has a twist. Carla’s twist for me is her amazing wit and humor on top of all that knowledge and beauty.”

At one point in the discussion about Peterman, CPUC President Michael Picker read from a letter that was sent and signed by former Governor Brown.

“Your contributions and leadership at the California Energy Commission and California Public Utilities Commission have helped accelerate our state’s climate and clean energy initiatives, including adoption of the nation’s first utility energy storage mandate, and added considerable momentum to our transportation electrification and California Renewables Portfolio Standard. I commend your efforts to increase opportunities for diverse businesses in California and for your hard work to safeguard the interests of ratepayers. Your devotion to smart public policy is widely recognized and appreciated.”

With her usual dose ofendor and humility, Peterman also reflected on the CPUC’s work and the impact fellow Commissioners, CPUC staff, and people who participate in proceedings had on her over the course of her term.

“Many decisions have been wonderful and an opportunity to bring forward decisions that have saved ratepayers money, increased safety, developed clean energy and clean water, and given Californians more access to essential services,” she said. “Many decisions have been difficult and without an eloquent or always satisfying result. I am glad and embrace that we have a process that allows our good decisions to persist and our bad ones to be revisited and be improved upon.”

“When you come before us,” she said to the audience at the Voting Meeting, “we do listen, we do see you, you do impact our decision-making. So, keep coming, keep challenging us, keep supporting us in this collective work.”

Quoting the late South African social activist and president, Nelson Mandela—“where you stand depends on where you sit”—Commissioner Peterman ended her remarks with a challenge to those in the CPUC Auditorium.

“We all do bring our own experiences and biases to these positions,” she said. “But that’s not sufficient to meet the collective challenges ahead. We all need to do our best to do at times the uncomfortable work of recognizing the specific perspective that we bring and seeking to understand things from others’ perspectives. And bringing more people in the room so they can stand where they sit, and we can really represent our state.”
A1505002, A1505003, A1505004, A1505005 • 09-Nov-2018 • CMMR/RECHTSCHAFFEN/CPUC

A1705022 • 09-Nov-2018 • CMMR/RECHTSCHAFFEN/CPUC

A1607002 • 13-Nov-2018 • ALJs/LAU/PARK/CPUC

A1703019 • 13-Nov-2018 • ALJ/CHIV/CPUC
Decision granting San Diego Gas & Electric Company's (SDG&E) motion to withdraw its application without prejudice on the condition that SDG&E disclose Application 17-03-019 and this decision in any subsequent application requesting approval for a framework involving the commercialization of intellectual property that is filed by SDG&E. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=239744720

A1410014 • 13-Nov-2018 • ALJ/GOLDBERG/CPUC

A1709007 • 13-Nov-2018 • CMMR/RANDOLPH/CPUC

A1811009 • 13-Nov-2018 • Southern California Edison Company

A1811010 • 13-Nov-2018 • Southern California Gas Company

A1607002 • 13-Nov-2018 • ALJs/LAU/PARK/CPUC

R0110024 • 13-Nov-2018 • CPUC

I1606010 • 16-Nov-2018 • CPUC
Order Instituting Investigation on the Commission's Own Motion into the Fatal Accident on the Bay Area Rapid Transit District's Line between the Walnut Creek and Pleasant Hill Stations in the County of Contra Costa, California on October 19, 2013. (Rehearing Request filed by San Francisco Bay Area Rapid Transit District.) http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=243008343

A1809015 • 26-Sept-2018 • Southern California Edison Company

A1712002, A1712003 • 01-Dec-2017 (refiled 19-Nov-2018) • Southern California Edison Company

A1811013 • 20-Nov-2018 • Pacific Gas and Electric Company

R1709020 • 21-Nov-2018 • ALJs/ALLEN/CHIV/CPUC
This decision adopts changes to the Resource Adequacy program, including identifying the distribution utilities as the central procurement entity for their respective distribution service areas and adopting specifications and requirements for implementation of multi-year local procurement to begin for the 2020 compliance year. Opening comments are due no later than December 11, 2018. Reply comments are due 5 days after the last day for filing opening comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=243570563

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Get to Know Us: Meet Rob Osborn

Rob Osborn’s path to the CPUC could be that of one of the characters in the novels he writes. While majoring in Asian Studies at UC Berkeley, the Seattle native spent a year studying abroad in Beijing, and, upon graduating, spent two years in Japan teaching English. After returning, he pursued a graduate degree in International Management and Public Policy at UC San Diego, and as a graduation requirement passed the Foreign Service Language Proficiency Exam in Mandarin Chinese and Japanese. He is currently studying French.

Rob spent five years with Vodafone Japan, part of the world’s largest mobile phone company at the time, starting in supply chain management and working his way up to General Manager of the radio network department. “It was fun,” Rob recalls, “bringing early high-tech phones back to the U.S. in 2000, wowing friends with devices that could, for example, take and transmit photos.” That photo functionality was developed by the one of the founders of his next entrepreneurial venture: heading up business development and pre-sales for Gemini Mobile Technologies, a San Mateo mobile app start-up launched by three individuals from Beijing, Tokyo, and the U.S. While the business did well in Japan and Italy, there were few devices in the U.S. able to support the app and the interest in online virtual worlds – for both recreation and retail – waned.

With three young children, Rob decided to forgo some of the extensive corporate travel and hung out his shingle, consulting for a Japanese company in handset procurement, as well as other businesses and non-profits.

During this time, Rob founded Shibuya TV, a streaming video start-up featuring documentaries on various subjects such as urban wine making and a Japanese-American peace activist who had been interned at Manzanar during World War II. While interviewing the CPUC’s Michael Morris for “Broadband Blindness,” a documentary on why broadband in Sacramento was so slow, Rob discovered another outlet for his telecommunications background and the desire to work in the public sector.

Before long he was working on broadband data collection and mapping with Chico State and on broadband testing with CSU Monterey. (Yes, there is an app for that: CalSPEED!) His last project was a home broadband speed test box the CPUC is beta testing in Fresno that helps consumers see what broadband speed they get relative to what they pay for. Rob has also served as an interim Commissioner’s Advisor and led a CPUC staff investigation into the T-Mobile/Sprint merger proceeding, helping to determine if the merger is in the public interest.

Now he is off to a new challenge as Policy Advisor to the Director of Communications Division and has hit the ground running as the new year began. He will be working with the Director, Commissioners, and other staff to align what the CPUC does with the state’s expectations for one of the industries it oversees.

Rob Osborn, Policy Advisor to the CPUC Director of Communications

Docket: Nov. and Dec. Filings, continued from page 5

A1612014 • 21-Dec-2016 (refiled 21-Nov-2018) • Santa Barbara County Planning and Development Department
Application of Santa Barbara County for authority to construct a pedestrian at-grade rail crossing, Santa Claus Lane, at Mile Post 375.96, Union Pacific Railroad Santa Barbara Subdivision, proposed CPUC Number, 001E-375.96-D; USDOT 450433W. (Petition for Modification filed by Santa Barbara County.)

A1811015 • 26-Nov-2018 • Pacific Gas and Electric Company

A1811016 • 26-Nov-2018 • Southern California Edison Company

A1811017 • 26-Nov-2018 • San Diego Gas & Electric Company

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He approaches the sport of rowing with equal zeal. “When you wake up ahead of your 4:30 a.m. alarm to hit the water, it may more accurately be described as a religion,” Rob quips. His master’s team has twice won 4th place at the prestigious Head of the Charles, which he describes as rowing Mecca. A quarter million people converge in Boston every October from all over the world for the ultimate two-day rowing competition.

He says the most important lesson gleaned from rowing is knowing when to take the lead and when to just be part of the boat. In his former role, he had no direct reports and learned to excel in what he calls “soft leadership.” For five years, he utilized those skills staffing the California Broadband Council and participated in the CPUC’s Big Data Working Group.

Rob says he’s most proud of finishing his first novel “Lovers & Comrades” - after 10 years of research into the decimation of the U.S. Department of State’s Asia expertise following World War II. He says he chose to make his book fiction so he could explore how McCarthyism destroyed the life of an individual born and raised in China by YMCA missionaries who later became America’s key liaison with the Communist Chinese. Rob is currently working on a new book, “Tea & Sympathy,” which he describes as a Margaret Atwood-inspired and vaguely dystopian novel set in Japan in the year 2038.

Rob works out of the CPUC’s Sacramento office at 300 Capitol Mall.
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<td>I1812007 • 13-Dec-2018 • CPUC Order instituting investigation and order to show cause on the commission’s own motion into the operations and practices of Pacific Gas and Electric Company with respect to locate and mark practices and related matters. <a href="http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M246/K120/246120841.PDF">http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M246/K120/246120841.PDF</a></td>
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<td>A1812010 • 14-Dec-2018 • Calaveras Telephone Company Application of Calaveras Telephone Company (U1004C), Cal-Ore Telephone Co. (U1006C), Ducor Telephone Company (U1007C), Foresthill Telephone Co. (U1009C), Kerman Telephone Co. (U1012C), Pinnacles Telephone Co. (U1013C), The Ponderosa Telephone Co. (U1014C), Sierra Telephone Company, Inc. (U1016C), The Siskiyou Telephone Company (U1017C) and Volcano Telephone Company (U1019C) For Rehearing of Resolution T-17616. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=251152540">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=251152540</a></td>
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<td>A1812016 • 14-Dec-2018 • Trans Bay Cable LLC Application of Trans Bay Cable LLC (U934E), SteelRiver Infrastructure Associates LLC, SteelRiver SLP LLC, TBAIV II Feeder LLC, NextEra Energy Transmission, LLC, NextEra Energy Transmission Investments, LLC, and NEET Investment Acquisition LP, LLC for Authority to Sell and Transfer Indirect Control of Trans Bay Cable LLC to NextEra Energy Transmission, LLC. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=251668370">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=251668370</a></td>
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Docket: Nov. and Dec. Filings, continued from page 8

R1706023 • 21-Dec-2018 • CMMR/PETERMAN/CPUC
Proposed Decision determining that Public Purpose Program Surcharges and User Fees will not be assessed on text message services revenue. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DdocID=252329732

A1810002 • 03-Oct-2018 (to be re-assigned) • Ednetics, Inc.

A1608006 • 11-Aug-2016 (re-opened proceeding) • Pacific Gas and Electric Company

R1502020 • 26-Feb-2015 (re-opened proceeding) • CPUC

A1609005 • 28-Dec-2018 • ALJ/MASON/CPUC
This decision finds reasonable the majority of the costs incurred by Applicants, Southern California Gas Company and San Diego Gas & Electric Company, to execute 26 pipeline projects, 15 bundled valve projects, and two methane-sensing equipment pilot projects under the Commission's approved pipeline safety enhancement plan. Opening comments are due no later than January 17, 2019. Reply comments are due 5 days after the last day for filing opening comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DdocID=254771116

A1410015, A1501005 • 28-Dec-2018 • ALJ/BEMESDERFER/CPUC
This decision grants Avalon Freight Services, LLC a certificate of public convenience and necessity authorizing service to transport freight by vessel on a scheduled basis between Port of Los Angeles on the one hand, and the Santa Catalina Island location of Avalon as it is in the public interest. Opening comments are due no later than January 17, 2019. Reply comments are due 5 days after the last day for filing opening comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=254771230

R1407002 • 28-Dec-2018 • ALJ/KAO/CPUC

A1901001 • 02-Jan-2019 • San Gabriel Valley Water Company
Application of San Gabriel Valley Water Company (U337W) for Authority to Increase Rates Charged for Water Service in its Los Angeles County Division by $4,099,800 or 5.5% in July 2020, $6,594,500 or 8.4% in July 2021, and $3,927,000 or 4.6% in July 2022, and in its Fontana Water Company division by $9,626,900 or 14.0% in July 2020, $4,979,800 or 6.2% in July 2021, and $3,054,100 or 3.6% in July 2022, and related relief. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&DocID=254771371

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 outreach@cpuc.ca.gov or call (855) 421-0400. You can find information about events we are having at www.cpuc.ca.gov/Events.

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