

STATE OF CALIFORNIA  
CALIFORNIA PUBLIC UTILITIES COMMISSION

AGENCY: California Public Utilities Commission

ACTION: Solicitation for Input

SUMMARY: California Public Utilities Commission (Commission) Policy & Planning Division staff (staff) invites input via this Solicitation for Input (SFI) into what revisions, if any, should be made to certain rules and requirements applicable to public utilities in California.

DATES: Comments and Reply Comments are due 30 and 45 days respectively from the date on this SFI.

FILING: Comments shall be sent electronically to the CPUC ListServ identified in this Notice, with the subject line *CPUC-January 2015 SFI*.

FOR FURTHER INFORMATION CONTACT:

April Mulqueen  
Policy and Planning Division  
California Public Utilities Commission  
505 Van Ness Avenue, 5<sup>th</sup> floor  
San Francisco CA 94102  
415-703-1112  
[April.Mulqueen@cpuc.ca.gov](mailto:April.Mulqueen@cpuc.ca.gov)

## **Summary**

California Public Utilities Commission (Commission) Policy & Planning Division staff (staff) is soliciting public comment through this Solicitation for Input (SFI) concerning certain rules and requirements applicable to public utilities in California that appear to be out of date due to changes in markets, technologies, state or federal law, and other causes, and may warrant revision or repeal. Staff invites all interested entities and persons to submit comments in response to the specific issues and questions enumerated below.

Staff has compiled a preliminary list of General Orders (GOs) and reporting requirements that may be ripe for revision. Staff has also developed draft conceptual proposals for updating these rules and requirements for potential consideration and action by the Commission. The list of rules, requirements and associated proposals is included in this SFI. Staff seeks comment in order to help inform the nature and scope of future proceedings that the Commission may institute in order to update the rules and requirements applicable to entities under the Commission's jurisdiction. As such, staff seeks comment on the merits of staff proposals concerning individual rules and requirements, as well as the processes and procedures the Commission may wish to follow in order to update them.

## **Introduction**

Governor Brown has designated President Michael Picker as the Assigned Commissioner responsible for overseeing a review and assessment of the Commission's existing organization, processes, and procedures, to identify areas

in which improvements may be possible, and recommending constructive changes for modernizing and reforming them. In furtherance of these goals, staff undertook an initial review of the Commission's existing GOs and reporting requirements in order to identify those that may be out of date and ripe for updating via amendment or deletion due to, e.g., changes in technology and markets, changes in state and federal jurisdiction, changes in the Commission's mission, and changes in circumstances due to the passage of time.

As a result of this review, staff has compiled a preliminary list of rules and requirements in existing GOs and utility reporting requirements that appear to be out of date and potentially appropriate for updating. In this list, staff identifies why each rule is ripe for updating, and recommends next steps including, e.g., updating a GO to reflect changes in technology. Staff seeks comment on the substantive merits of updating each rule, as well as the best processes for the Commission to follow.

This SFI is an opportunity for the staff to ask questions and receive informal comments from the public. It is not a rulemaking and the Commission will not issue a decision based solely on the comments received in this SFI.

Comments in this SFI will help inform the nature and scope of future actions that the Commission may take to update rules and requirements applicable to entities under the Commission's jurisdiction. Specifically, the comments will help inform the Commission's decisions concerning: whether to open a rulemaking, what the scope of the rulemaking should be, and the nature of comments and proposals sought from parties to any eventual rulemaking.

For example, if multiple GOs require updating, should they be updated in separate Rulemakings, or in an omnibus proceeding? Can or should rules affecting a particular industry be considered individually, or should they be considered in conjunction with other rules affecting that industry?

### **Rules and Staff Proposals**

The rules and requirements staff has identified appear to be out of date and potentially appropriate for updating for a number of different reasons, specifically:

1. Changes in Federal or State Law or Jurisdiction;
2. Passage of Time: Technological Change and Industry Best Practices;
3. Passage of Time: Continued Relevance;
4. Changes to Commission Mission; and
5. Administrative Follow-Up and Redundancy.

For example, GO 144-A, adopted in 1978, contains rules concerning compensation for airline passengers who are bumped from flights, despite the fact that the state legislation concerning this matter was subsequently repealed and such matters are now the subject of federal jurisdiction; and GO 22-B, adopted in 1958, still requires that railroad accidents be reported “by telephone or telegraph,” despite the existence of several alternative and better means of communication that have become available since then.

The rules and requirements identified by staff for potential updating each fall into at least one of the categories listed above, and a few fall into more than one category. For each of the rules and requirements that fall into each of these categories, staff seeks comment on: (1) whether each rule and requirement is out

of date and ripe for updating; (2) if so, why; (3) whether the staff draft updating proposal is appropriate and adequate; and (4) what process or procedure the Commission may wish to adopt in order to consider and update the rule or requirement, including whether the different justifications for updating require different procedural responses.

The categories and the respective rules and staff proposals are discussed in further detail below.

Finally, the proposals included in this SFI are not intended to serve as an exhaustive list of every GO or reporting requirement that may be ripe for review and updating. Modernizing the Commission's rules and requirements is expected to be an ongoing process, and as such, staff seeks comment on additional GOs and utility reports that may be ripe for review.

#### **A. Changes in Federal or State Law or Jurisdiction**

Rules and requirements in this category are potentially ripe for updating because of changes in federal or state law, including the federal government's assumption of jurisdiction and the elimination of federal agencies whose rules the Commission's rules are required to track, which may have the effect of superseding the Commission's rules or altering their application and effect.

For each rule below, staff seeks comment on the following: whether changes in federal or state law or jurisdiction necessitate changes to the Commission rule or requirement; and whether the Commission rule or requirement should be revised or rescinded. If a rule should be revised, staff requests that commenters submit redline edits of the suggested resulting rule. In addition, staff seeks

comment on the process for updating Commission rules and requirements affected by changes in federal or state law or jurisdiction, including but not limited to: the type of process; the type of notice and comment necessary; whether rules must be considered separately or considered in bulk in an omnibus manner; and suggested processes that the Commission may follow to identify rules affected by federal or state changes in the future.

1. **GO 100-M:** This GO requires highway carriers, freight forwarders, household goods carriers and highway carriers to carry a certain amount of public liability and property damage insurance in the case of accidents that result in some amount of harm or damage. The liability requirements rely, in part, on authority vested with the federal Interstate Commerce Commission (ICC). This GO was adopted in 1993.  
Proposal: This GO should be updated to reflect subsequent changes to federal law, including the elimination of the ICC, and may warrant changes in the minimum amount of required insurance.
2. **GO 105-A:** This GO provides rules for the form and filing of tariffs by air transportation companies for intrastate travel. This GO was adopted in 1959.  
Proposal: This GO should be repealed as air transportation is under federal jurisdiction. See also, GO 120-C and GO 144-A.
3. **GO 120-C:** This GO provides rules around liability requirements and coverage for “all commercial air operators and passenger air carriers.” This GO was adopted in 1972, and amended in 1984 (D.84-09-088).  
Proposal: This GO should be reviewed to determine whether the insurance provisions are adequate, and whether the rules are consistent with the federal assumption of jurisdiction over the airline industry.
4. **GO 144-A:** This GO provides rules for airline passengers with confirmed boarding passes who are denied boarding, appropriate compensation for those customers, and exemptions for weather conditions, mechanical failures, or other reasons beyond the airlines control. This GO was adopted in 1978.  
Proposal: This GO should be repealed. This GO is based on a part of the Code that no longer exists. Additionally, the airline industry is now under federal jurisdiction. See also, GO 105-A and GO 120-C.

## B. Passage of Time: Technological Change and Industry Best Practices

Rules and requirements in this category are potentially ripe for updating because, due to the passage of time, there may be changes to technology, in circumstances, or in industry best practices that are not reflected in the rules.

For each rule or requirement below, staff seeks comment on whether the rule requires updating due to changes in technology or industry best practices. If a rule requires updating, staff requests that commenters submit redline edits of the suggested resulting rule. Staff also seeks comment on the type of process necessary to update rules in response to changes in technology and industry best practices, including: the type of notice and comment necessary, and whether rules must be considered separately or considered in bulk in an omnibus manner. In addition, staff seeks comment on whether Commission processes are sufficiently robust to identify and update rules in response to changes in technology and industry best practices, and whether changes to Commission processes are necessary to identify and respond to such changes in the future.

1. **GO 22-B:** This GO governs the reporting of railroad accidents, and was issued in 1958. Accidents are to be reported by telegraph or telephone immediately for certain types of accidents, and all accidents are to be reported to the Commission on a monthly basis. These reports are to follow the format adopted by the federal Interstate Commerce Commission.  
Proposal: Entire GO should be reviewed and updated for changes in technology (*e.g.*, allowing for electronic reporting of accidents), passage of time, and subsequent legislative actions.
2. **GO 28:** This GO details record preservation requirements and was originally issued in 1912, and “reissued” in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO.  
Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, *e.g.*, GO 65-A and GO 104-A.
3. **GO 31:** This GO addresses requirements for placing and posting bulletin boards at steam railroad depots and stations and when stations should be open. Notably, information regarding train

delays is to be sent to stations “where telegraph operators are maintained.” This GO was adopted in 1912.

Proposal: This GO should be reviewed and updated as necessary and appropriate to reflect current public needs and changes in technology.

4. **GO 52:** This GO applies to the construction of power and communication lines to mitigate or prevent inductive interference. This GO was adopted in 1918, and was last amended in 1964.

Proposal: This GO is in need of updating to consider advancements in technology and improvements in the quality and safety of these lines.

5. **GO 94-B:** This GO establishes a safety procedure and standard for “the design, operation, maintenance and inspection of all gas holders and hydrocarbon vessels operated by public utilities in the State of California” was approved in 1970.

Proposal: This GO should be evaluated regarding its use and relevance as to the ongoing use of “hydrocarbon vessels.” In the alternative, this safety standard is 44 years old and is ripe for review, updating, and reconsideration to account for updates in safety methods and technology.

6. **GO 100-M:** This GO requires highway carriers, freight forwarders, household goods carriers and highway carriers to carry a certain amount of public liability and property damage insurance in the case of accidents that result in some amount of harm or damage. The liability requirements rely, in part, on authority vested with the federal Interstate Commerce Commission (ICC). This GO was adopted in 1993.

Proposal: This GO should be updated to reflect subsequent changes to federal law, including the elimination of the ICC, and may warrant changes in the minimum amount of required insurance.

7. **GO 101-E:** This GO establishes minimum public liability and property damage insurance requirements for Passenger Stage Corporations. It was last updated in 1985.

Proposal: The minimum required insurance should be evaluated to determine whether it remains appropriate and is adequate to protect the public under current conditions or warrants updating.

8. **GO 111-C:** This GO establishes minimum public liability and property damage insurance requirements for Vessel Common Carriers. It was last updated in 1985 and, e.g., only requires \$1,000,000 in such insurance for injuries and deaths of all persons in one accident involving a vessel with seating capacity of up to 99 persons.

Proposal: The minimum required insurance should be evaluated to determine whether it remains appropriate and is adequate to protect the public under current conditions or warrants updating.

9. **GO 110:** This GO governs the use of radio communication by railroads and, among other things, prohibits railroads from employing radio communication to transmit train order to any train or engine crew without filing such intention with the CPUC. This GO was adopted in 1960.

Proposal: It is unclear whether and to what extent this GO remains necessary and appropriate. This GO should be reviewed for relevance, or, in the alternative, updated to reflect changes in communication technologies. This GO should also be compared with GO 172 for possible overlap.

10. **GO 126:** This GO details the requirements for contents of first aid boxes on railroads. This GO was adopted in 1965.

Proposal: This GO should be reviewed to determine whether and to what extent it remains necessary and appropriate and, if so, updated to reflect modern conditions and requirements.

11. **GO 127:** This GO provides regulations governing construction, reconstruction, and maintenance and operation of automatic train control systems, route interlocking, speed enforcement and right of way hazard protection on rapid transit systems. This GO also requires the submission of plans associated with any request for approval to install an automatic train control system. This GO was adopted in 1967.

Proposal: This GO should be reviewed to ensure that the existing rules are still necessary and appropriate and, if so, be updated to reflect changes in operating practices, new technologies and/or safety practices.

### **C. Passage of Time: Continued Relevance**

Rules and requirements in this category are potentially ripe for updating because the rules have arguably become less relevant to the Commission's regulation of the specific industry over time. Rules in this category differ from those in category B, above, because rules with questionable relevance may be eligible for deletion rather than revision.

For each rule below, staff seeks comment on: whether the rule or requirement remains relevant to current Commission jurisdiction and activities, and if it should be revised or deleted. If the rule should be revised, staff requests that commenters submit redline edits of the suggested resulting rule. Staff also seeks comment on the type of process necessary to identify and revise or delete rules that may no longer be relevant to current Commission jurisdiction and activities, including: the type of notice and comment necessary, and whether rules must be considered separately or considered in bulk in an omnibus manner. In addition, staff seeks comment on whether Commission processes are sufficiently robust to identify rules that may have become irrelevant, and whether changes to

Commission processes are necessary to identify and respond to such rules in the future.

For each report identified below, staff seeks comment on: how the report is used by the Commission; whether the report remains relevant; and whether the filing requirement should be eliminated.

1. **GO 50-B:** This GO requires “all public utilities to file with the Railroad Commission the final plans and specifications covering any construction, reconstruction, alteration or repair of dams.” This GO was approved in 1930.  
Proposal: This GO should be reviewed for relevance and use as it is unclear to what extent this GO is currently used by the CPUC.
2. **GO 94-B:** This GO establishes a safety procedure and standard for “the design, operation, maintenance and inspection of all gas holders and hydrocarbon vessels operated by public utilities in the State of California” and was approved in 1970.  
Proposal: This GO should be evaluated regarding its use and relevance to the ongoing use of “hydrocarbon vessels.” In the alternative, this safety standard is forty-four years old and is ripe for review, updating, and reconsideration to account for updates in safety methods and technology.
3. **GO 106:** This GO provides rules governing chemical toilets in railroad cabooses. This GO details the installation and construction of a “chemical-type toilet,” how the contents are to be disposed, the construction of the room containing the toilet, and, notably, exempts “flush-type toilets” from this requirement. This GO was adopted in 1959.  
Proposal: This GO should be reviewed for relevance and use and possibly repealed.
4. **GO 110:** This GO governs the use of radio communication by railroads and, among other things, prohibits railroads from employing radio communication to transmit train order to any train or engine crew without filing such intention with the CPUC. This GO was adopted in 1960.  
Proposal: It is unclear to what extent this GO is useful. This GO should be reviewed for relevance, or, in the alternative, updated to reflect changes in communication technologies. This GO should also be compared with GO 172 for possible overlap.
5. **GO 152-A:** This GO provides rules regarding the provision of private line alarm service. This GO applies to all telephone utilities providing service in California with more than 100 private line alarm company serving links. This GO was adopted in 1988.  
Proposal: This GO should be reviewed to consider its applicability and usefulness considering changes in the technology, services, and any regulatory or legislative changes. Note: This GO contains a reporting requirement by the telephone company that is also under consideration for elimination.

6. **Utility Report:** SoCal Gas System Expansion Study: Every 3 years, SoCal Gas prepares a system expansion study pursuant to a settlement adopted in 2007. The value or need of this report is unclear as the Settlement expired in 2012, and SoCal Gas has a separate approved expansion plan.  
Proposal: The Commission should eliminate this filing requirement.
7. **Utility Report:** PG&E, SCE, and SDG&E AMI reports: Each of the three electric IOUs submit quarterly and annual AMI reports detailing the progress of AMI implementation. With the roll-out of AMI almost entirely completed, it is unclear whether these reports continue to be useful to the Commission.  
Proposal: The Commission should eliminate this filing requirement.
8. **Utility Report:** The Commission still requires that some carriers annually file detailed financial information pursuant to the FCC's ARMIS Reports 43-01, 43-02, and 43-03, despite the fact that the FCC has exercised forbearance concerning these reports since 2008. According to the FCC's ARMIS instructions, reviewed at (<http://transition.fcc.gov/wcb/armis/documents/2007PDFs/procspec.html>), compiling 43-01 requires 90 hours, 43-02 requires 246 hours, and 43-03 requires 52 hours.  
Proposal: The Commission should eliminate this filing requirement.
9. **Utility Report:** GO 152-A requires quarterly reports concerning telephone companies' private line alarm services, despite the dwindling number of customers taking such services.  
Proposal: The Commission should eliminate this filing requirement.
10. **Utility Report:** GO-65A, dating from 1968, requires public utilities with gross operating revenues of at least \$200,000 to file copies of their financial statements, and copies of their annual reports and statements to stockholders. All of this information is publicly available and easily accessible.  
Proposal: The Commission should eliminate this filing requirement.

#### **D. Changes to Commission Mission**

Rules and requirements in this category are potentially ripe for updating because the Commission's mission and regulation of railroads has evolved to be more concerned with safety and less concerned with details of day-to-day operations unrelated to safety.

For each rule below, staff seeks comment on: whether the rule remains relevant to current Commission mission, and if it should be revised or deleted; if the rule should be revised, staff requests that commenters submit redline edits of the suggested resulting rule. Staff also seeks comment on the type of process

necessary to identify and revise or delete rules that may no longer be relevant to current Commission Mission, including: the type of notice and comment necessary, and whether rules must be considered separately or considered in bulk in an omnibus manner. In addition, staff seeks comment on whether Commission processes are sufficiently robust to identify rules that may no longer be relevant to current Commission mission, and whether changes to Commission processes are necessary to identify and respond to such rules in the future.

1. **GO 31:** This GO addresses requirements for placing and posting bulletin boards at steam railroad depots and stations and when stations should be open. Notably, information regarding train delays is to be sent to stations “where telegraph operators are maintained.” This GO was adopted in 1912.

Proposal: This GO should be reviewed for how it is used in practice and updated to reflect changes in technology.

2. **GO 106:** This GO provides rules governing chemical toilets in railroad cabooses. This GO details the installation and construction of a “chemical-type toilet,” how the contents are to be disposed, the construction of the room containing the toilet, and, notably, exempts “flush-type toilets” from this requirement. This GO was adopted in 1959.

Proposal: This GO should be reviewed for relevance and use and possibly repealed.

### **E. Administrative Follow-Up and Redundancy**

Rules and requirements in this category are potentially ripe for updating because: they may be duplicative of other Commission rules and therefore eligible for consolidation or deletion; the rule’s existing fee structure may need to be updated; or there may be questions concerning whether the rule was ever officially adopted.

For each rule below, staff seeks comment on: whether the rule requires administrative clarification or follow-up, and if it should be revised or deleted; if the rule should be revised, staff requests that commenters submit redline edits of

the suggested resulting rule. Staff also seeks comment on the type of process necessary to identify and revise or delete rules that may require administrative follow-up, including: the type of notice and comment necessary, and whether rules must be considered separately or considered in bulk in an omnibus manner. In addition, staff seeks comment on whether Commission processes are sufficiently robust to identify rules that may require administrative follow-up and minimize the need for future administrative follow-up, and whether changes to Commission processes are necessary to identify and respond to such rules in the future.

For the report identified below, staff seeks comment on: how the report is used by the Commission; whether it is redundant; and whether the filing requirement should be eliminated.

1. **GO 28:** This GO details record preservation requirements and was originally issued in 1912, and “reissued” in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO.  
Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, *e.g.*, GO 65-A and GO 104-A.
2. **GO 69-C:** This GO permits public utilities to lease or encumber property provided either that the property is no longer used or useful in providing utility services to the public, or the lease or encumbrance will not interfere with the utility’s ability to serve its customers. This GO states it is effective in 1985, but Commission records identify it as “Proposed General Order No. 69-C.”  
Proposal: This Commission should confirm that GO No. 69-C is final, has not been superseded, and remains in effect and, if so, update the Commission’s official records to reflect its official adoption.
3. **GO 104-A:** This GO requires the submission of an annual report by utilities under the Commission’s jurisdiction. The GO provides details of when certain financial transactions require reporting. This GO was adopted in 1967.  
Proposal: This GO should be reviewed to consider whether the financial triggers remain appropriate or should be re-set to account for inflation. Additionally, this GO should be compared with GO 28 and GO 65-A for overlap and potential consolidation into one General Order.

4. **Utility Report:** PG&E Report on sole customer facility sale transactions. The annual report adopted in D.99-12-030 is now duplicative of the reporting requirements in GO 173.  
Proposal: The Commission should eliminate this filing requirement.

### **Instructions for Filing Comments**

Comments and Reply Comments are due 30 and 45 days respectively from the date on this SFI. Comments shall be sent electronically to the ListServ identified below, with the subject line *CPUC-January 2015 SFI*.

Staff has placed a notice concerning this SFI on the Commission's Daily Calendar, and is distributing this SFI to the Service Lists from the following proceedings:

1. Investor-owned utility rate cases: A.13-11-003, A.13-12-012, and A.12-11-009;
2. Water action plan update: R.11-11-008;
3. Residential rate design OIR: R.12-06-013;
4. Electric and communications infrastructure safety: R.09-11-005 and R.14-08-12;
5. California High Cost Fund A: R.11-11-007; and
6. Communications service quality: R.11-12-001.

Entities wishing to file comments in this SFI, or who wish to receive comments filed by others, shall sign up for the ListServ for this SFI at:

[http://www.cpuc.ca.gov/list/wa.exe?A0=PPD\\_SOLICITATION\\_FOR\\_INPUT](http://www.cpuc.ca.gov/list/wa.exe?A0=PPD_SOLICITATION_FOR_INPUT)

ListServ instructions:

1. Click "Join" list and add your Name and Email Address. Scroll down and click the "Join" button.
2. You will receive an email that includes a link you will need to click to confirm that you are the one joining the list.

3. Before sending or receiving postings, you will need to get a password. Open the Link to the list.
4. Click "Get Password" and add the email address you used when you joined the list. Enter and confirm a password.
5. You will get an email with a confirmation link. Once you have clicked that link to confirm that you added a password you will be able to post and receive posts from the list.

Receipt of this SFI and/or presence on one of the Service Lists identified above does not constitute placement on the ListServ.

If you have any questions concerning this SFI, please contact April Mulqueen at [April.Mulqueen@cpuc.ca.gov](mailto:April.Mulqueen@cpuc.ca.gov) or 415.703.1112.