



**CPUC Public Agenda 3402**  
**Thursday, August 10, 2017 9:30 a.m.**  
**San Francisco, CA**



**Commissioners:**  
**Michael Picker, President**  
**Carla J. Peterman**  
**Liane M. Randolph**  
**Martha Guzman Aceves**  
**Clifford Rechtschaffen**

[www.cpuc.ca.gov](http://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.”





# Emergency Evacuation

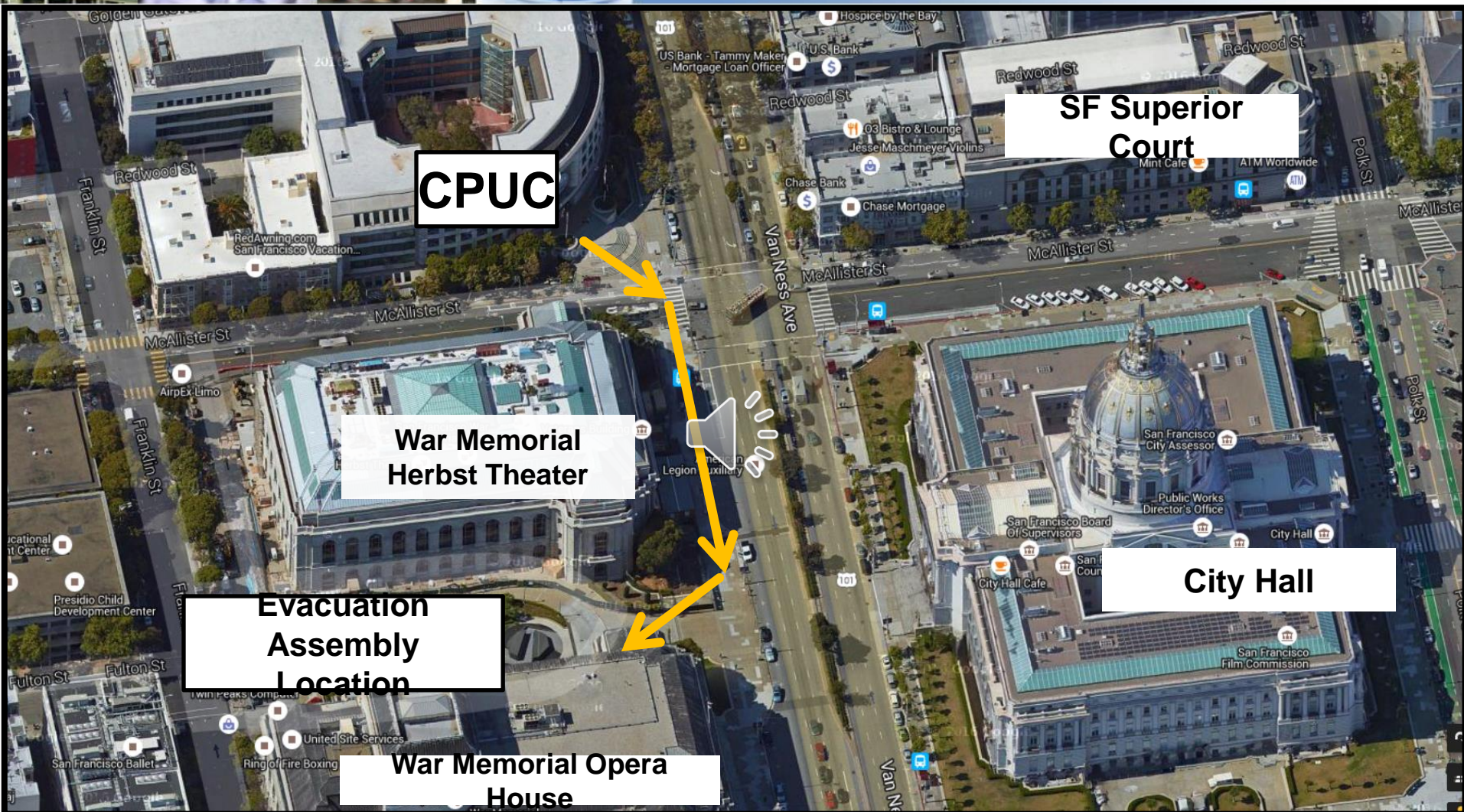
Safety is our number one priority:

Please listen to the emergency evacuation instructions for this location.





# Evacuation Assembly Location





# CPUC Mission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services.







# CPUC Core Values

Accountability  
Excellence  
Integrity  
Open Communication  
Stewardship





# Commissioner Code of Conduct

- **I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.**
- **II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.**
- **III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.**
- **IV. Commissioners are public officials who should uphold the integrity of their office at all times.**





# 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.

## **Public Comment is not permitted on the following items:**

- **15, 27, 28, 29, and 40.**
- 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.
- 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.

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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, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, and 33.
- 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.
- Item 21 from the Regular Agenda has 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.
- Items 2 and 5 have been moved to the Regular Agenda.
- Item 23 has been withdrawn.
- The following items have been held to future Commission Meetings:
  - Held to **8/24/17**: 40, 40, 41, 42, 43, 44, 45, 46, and 47 .
  - Held to **9/14/17**: 3.





# 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](http://www.cpuc.ca.gov).
- Late changes to agenda items are available on the Escutia Table.







## Regular Agenda – Energy Orders

### Item # 35 [15755] – San Diego Gas & Electric Company's Revenue Allocation and Rate Design (Phase 2 General Rate Case)

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A15-04-012

Application of San Diego Gas & Electric Company for Authority to Update Marginal Costs, Cost Allocation and Electric Rate Design.

**Ratesetting**

**Comr Picker - Judge Cooke**

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#### **PROPOSED OUTCOME :**

- The uncontested Revenue Allocation Settlement Agreement is approved; the contested Schools Settlement Agreement is not adopted.
- New time-of-use periods are established to reflect the changing energy market, including a later on-peak period and a spring super-off-peak period, while affirming the grandfathering provisions for eligible solar customers previously established by the D.17-01-006, and extending the Eligibility Grace Period for schools.
- Establishes cost recovery of distribution costs between coincident and noncoincident demand charges based on the original testimony position of the Solar Energy Industries Association and retains the current split for generation capacity costs between coincident demand and volumetric charges.
- Establishes a three-year temporary waiver of the small commercial rate load limit for current small commercial accounts where electric vehicle charging load makes up at least 50 percent of their electric load.
- Revised rates will become effective no earlier than December 1, 2017.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS :**

- There are no significant safety concerns with the implementation of this decision.

#### **ESTIMATED COST :**

- Revenue neutral, designed to recover previously approved revenue requirement.





## Regular Agenda – Energy Orders

### Item # 5 [15736] – Petition to Modify Decision 12-12-034 and Decision 13-03-015

A.12-04-015, A.12-04-016, A.12-04-017, and A.12-04-018 - Related matters.

Application of Southern California Edison Company for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2013 and to Reset the Annual Cost of Capital Adjustment Mechanism. Consolidated applications include San Diego Gas & Electric Company, Southern California Gas Company, and Pacific Gas and Electric Company.

**Ratesetting**

**Comr Picker – Judge McKinney**

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#### PROPOSED OUTCOME :

- Modifies Decision (D.) 12-12-034 and D.13-03-015 in response to Petition to Modify as follows:
- Extends the date for each of the above-referenced utilities' next cost of capital application filing from April 22, 2017, to March 22, 2018. Denies the Petition request for an extension to April 22, 2019.
- Reduces the authorized return on equity by specified amounts.
- Requires the authorized costs of long-term debt and preferred stock to be reset beginning in test year 2018 for each utility.
- Directs each utility to include specific supporting testimony with its next cost of capital application.

#### SAFETY CONSIDERATIONS :

- Maintaining a reasonable cost of capital allowance enables utilities to fund safe and reliable utility operations.

#### ESTIMATED COST :

- Not specifically quantified.





## Regular Agenda – Orders Extending Statutory Deadline (continued)

### Item # 38 [15879] – Order Extending Statutory Deadline

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R11-03-013

Order Instituting Rulemaking Regarding Revisions to the California Universal Telephone Service (LifeLine) Program.

**Quasi-Legislative**

**Comr Peterman - Judge Cooke**

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#### **PROPOSED OUTCOME :**

- Extends the statutory deadline for completion of this proceeding until October 22, 2017.

#### **SAFETY CONSIDERATIONS :**

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

#### **ESTIMATED COST :**

- There are no costs associated with this Order Extending Statutory Deadline.





## Regular Agenda – Orders Extending Statutory Deadline (continued)

### Item # 39 [15880] – Order Extending Statutory Deadline

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R13-12-011

Order Instituting Rulemaking into Policies to Promote a Partnership Framework between Energy Investor Owned Utilities and the Water Sector to Promote Water-Energy Nexus Programs.

**Quasi-Legislative**

**Comr Guzman Aceves - Judge Cooke**

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#### **PROPOSED OUTCOME :**

- Extends the statutory deadline for completion of this proceeding until October 23, 2017.

#### **SAFETY CONSIDERATIONS :**

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

#### **ESTIMATED COST :**

- There are no costs associated with this Order Extending Statutory Deadline.







## Regular Agenda – Orders Extending Statutory Deadline (continued)

### Item # 40 [15881] – Order Extending Statutory Deadline

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115-06-018

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Mesa-Crest Water Company with Respect to a Series of Financial Transactions, and Possible Threats to the Health and Safety of its Ratepayers.

**Adjudicatory**

**Comr Rechtschaffen - Judge Colbert**

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#### **PROPOSED OUTCOME :**

- Extends the statutory deadline for completion of this proceeding until September 1, 2018.

#### **SAFETY CONSIDERATIONS :**

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

#### **ESTIMATED COST :**

- There are no costs associated with this Order Extending Statutory Deadline.





## Regular Agenda – Commissioner Reports

### Item # 48 [15888] – Adoption of Unity of Control Policy and Revisions to the Commissioner Code of Conduct Policy

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Commission Action on Updated Strategic Plan Directives and Governance Policy Endorsed at the Policy and Governance Committee.





# Commissioners' Reports





# Management Reports







# Regular Agenda – Management Reports and Resolutions

## Item # 49 [15858]

### Report and Discussion on Recent Consumer Protection and Safety Activities

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# Regular Agenda – Management Reports and Resolutions

**Item # 50 [15859]**

**Management Report on Administrative Activities**

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# Management Reports





# **The CPUC Thanks You For Attending Today's Meeting**

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

**August 24, 2017 at 9:30 a.m.  
in San Francisco, CA**

