



**CPUC Public Agenda 3412**  
**Thursday, February 8, 2018 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.”



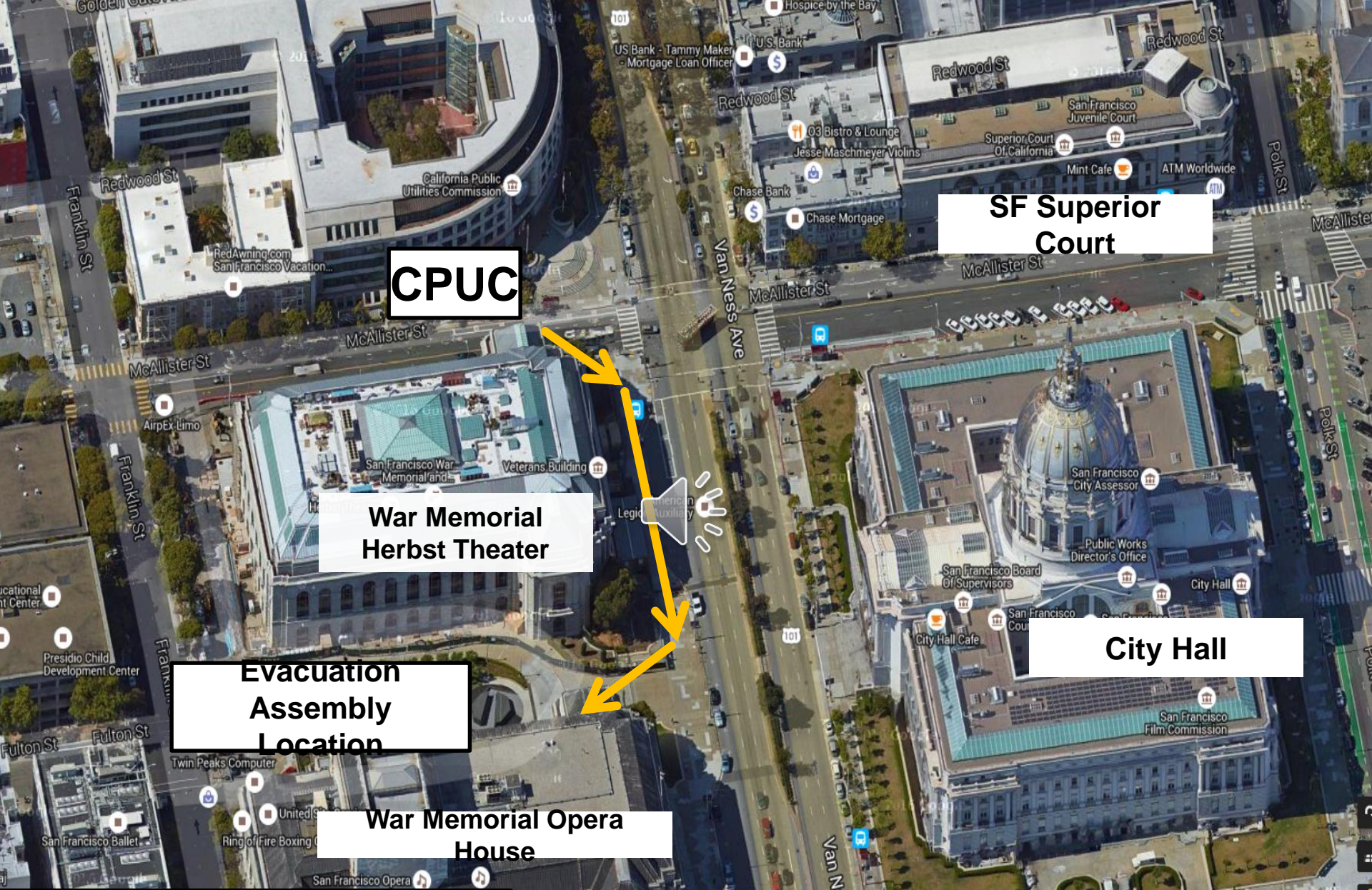


# Emergency Evacuation

Safety is our number one priority:

Please listen to the emergency evacuation instructions for this location.





**CPUC**

**War Memorial  
Herbst Theater**

**Evacuation  
Assembly  
Location**

**War Memorial Opera  
House**

**SF Superior  
Court**

**City Hall**





# 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:**

- 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.
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- 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, 4, 6, 10, 11, 12, 13, 14, 15, 16, 17, 18, 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.
- **No Item** 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.
- **Item 9** has been moved to the Regular Agenda.
- **Item 37** has been withdrawn.
- The following items have been held to future Commission Meetings:
  - Held to 3/1/18: **3, 7, 8, 19, and 35.**
  - Held to 3/22/18: **5.**





# 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 Resolutions

### Item # 9 [16190] – Registration Process for Community Choice Aggregators

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Res E-4907

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#### **PROPOSED OUTCOME:**

- This resolution would publish and implement a registration process for Community Choice Aggregators.

#### **SAFETY CONSIDERATIONS:**

- There is no impact on safety.

#### **ESTIMATED COST:**

- Potential unquantifiable bundled ratepayer savings due to elimination of cost shifting of resource adequacy costs.





# **Draft Resolution E-4907 (Agenda Item # 9)**

## **Community Choice Aggregator Registration Process**

**Edward Randolph**

**Energy Division  
February 8, 2019**





# Summary of Resolution E-4907

- The Resolution requires that all CCA meet the same forecasting and contracting process for Resource Adequacy as all other Load Serving Entities prior to serving new customers.
- This Resolution serves two major purposes:
  - 1) Ensures that CCAs are incorporated into the annual RA process when they launch or expand. Ensuring that CCAs are part of the annual RA process will help avoid cost-shifting to bundled customers (which is required by law).
  - 2) To satisfy an outstanding Commission order from Decision 05-12-041. Publication of this process will provide needed clarity to prospective communities about how to submit Implementation Plans and obtain registration.
- **Grandfathers all CCA who submitted implementation plans prior to Dec 8, 2017.**





## Timeline for Year-Ahead Resource Adequacy Load Forecasts

RA Compliance Activity	Deadline
LSEs file historical load information	March
LSEs file year-ahead load forecast	April
LSEs receive year-ahead RA obligations	July
Final date to file revised load forecasts for year-ahead (This final deadline is intended to accommodate small shifts to load. For instance, an ESP customer switching service from one ESP to another ESP.)	August
LSEs receive revised year-ahead obligations	September
LSE submits year-ahead compliance filing	October





# Summary of Resolution E-4907

## (Continued)

- **Adopted timeline to serve load in 2019:**
  - Implementation Plans must be submitted by March 1, 2018 in order to serve in 2019.
  - **ED will complete its review in 45 days by April 13, 2018** (statute provides for 90 days).
  - Bond and registration packet shall be submitted by April 20, 2018.
- **Waivers allowed to serve load in 2018**
  - Two waiver options for CCAs to still serve load in 2018.
    - Negotiate with the IOU to buy RA from the utility
    - Opt to have CPUC resolve RA cost responsibility issues between the CCA and the utility





# RA Program Authority

- **RA program is applicable to all LSEs, per Public Utilities Code Section 380:**
  - ***(e) The commission shall implement and enforce the resource adequacy requirements established in accordance with this section in a nondiscriminatory manner. Each load-serving entity shall be subject to the same requirements for resource adequacy and the renewables portfolio standard program that are applicable to electrical corporations pursuant to this section, or otherwise required by law, or by order or decision of the commission. The commission shall exercise its enforcement powers to ensure compliance by all load-serving entities.***
  - ***(f) The commission shall require sufficient information, including, but not limited to, anticipated load, actual load, and measures undertaken by a load-serving entity to ensure resource adequacy, to be reported to enable the commission to determine compliance with the resource adequacy requirements established by the commission.***





# Resolution E-4907 Timeline

- Draft proposal issued December 2017.
- CPUC's normal rules would have allowed for a Commission Vote on January 11.
- CPUC offered an extended comment period and delayed vote to Feb 8.
- In direct response to Comments filled by parties (TURN, ORA, CalCCA, labor, individual CCAs, and IOUs) revised proposal was issued on February 2.





# Summary of Revision 1 Changes

- Extension of the 2018 submission deadline for CCA Implementation Plans from January 1, 2018 to March 1, 2018, in order to serve customers starting January 1, 2019.
- Commitment that Energy Division would certify those Implementation Plans received by March 1, 2018 in 45 days in order to get the CCAs certified before the Resource Adequacy Year-Ahead forecast deadline in April.
- Addition of two waiver options for CCAs to start service in 2018 even if they were unable to participate in the timeline. (Ordering Paragraph 3).
  - Option 1: Mutual agreement between the CCA and the utility, where the CCA and Utility jointly file a Tier 1 Advice Letter.
  - Option 2: If no agreement is reached, the CCA agrees to be bound by price determined in the RA proceeding (R.17-09-020). CCA files a Tier 1 Advice Letter and files a motion in the RA proceeding.



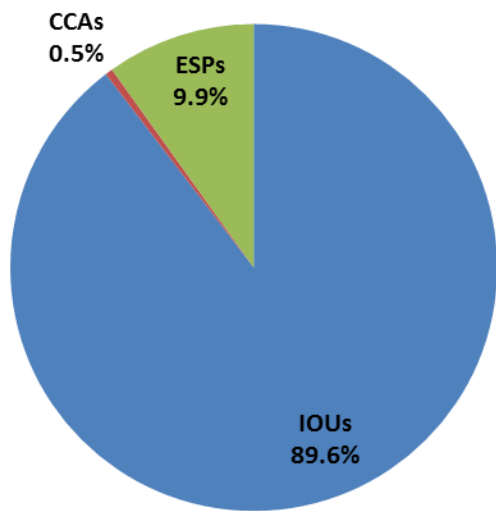


# Appendix

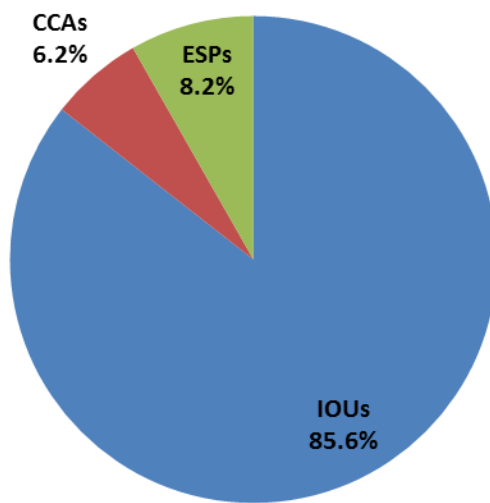




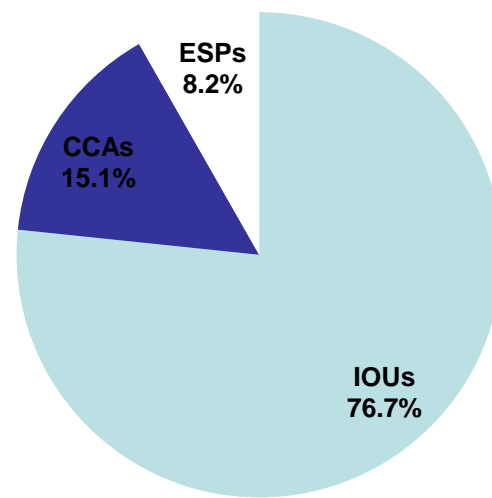
# Growth of CCAs Dramatically Larger than what CCAs Submitted



Based on 2014 year ahead load forecasts (MWs) from the CEC



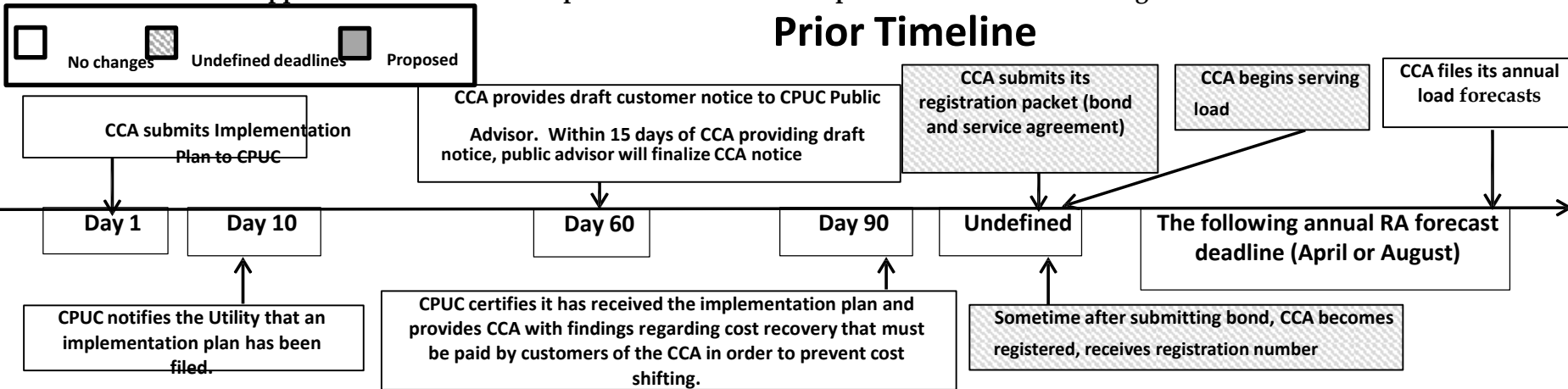
Based on 2018 initial August load forecasts (MWs) filed with the CEC in April 2017



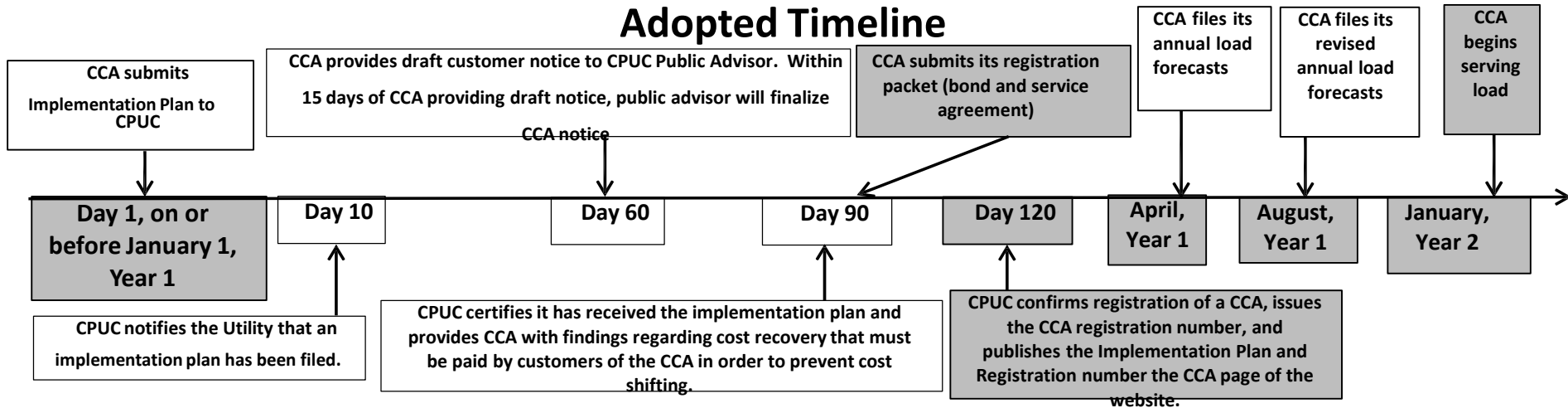
Potential 2018 based on load forecast (MWs) in filed implementation plans as of Dec. 8, 2017

Appendix B: Schematic Comparison of Prior and Adopted Timelines for CCA Registration Process

**Prior Timeline**



**Adopted Timeline**





# CCAs that Submitted Implementation Plans Before December 8, 2017

1. Los Angeles Community Choice Energy
2. East Bay Community Energy
3. Redwood Coast Energy Authority Expansion to the City of Ferndale
4. Monterey Bay Community Power
5. Pioneer Community Energy
6. City of Rancho Mirage
7. Valley Clean Energy Alliance
8. City of Solana Beach
9. City of San Jose
10. MCE's expansion to the unincorporated areas of Contra Costa County; the cities of Concord, Martinez, Oakley, Pinole, Pittsburg and San Ramon; and the towns of Danville and Moraga







## Regular Agenda –Energy Resolutions

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#### **SAFETY CONSIDERATIONS:**

- There is no impact on safety.

#### **ESTIMATED COST:**

- Potential unquantifiable bundled ratepayer savings due to elimination of cost shifting of resource adequacy costs.





## Regular Agenda- Energy Orders

### Item # 34 [16225] – Requirements for Load Serving Entities Filing Integrated Resource Plans

R16-02-007

Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements.

**Quasi-Legislative**

**Comr Randolph - Judge Fitch**

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#### **PROPOSED OUTCOME:**

- Sets requirements for all load-serving entities (LSEs) required to file integrated resource plans (IRPs), implementing Public Utilities Code Sections 454.51 and 454.52.
- Requires showings from LSEs related to disadvantaged communities in the IRP filings.
- Adopts a GHG emissions planning target for the electricity sector for the year.
- Adopts a Reference System Plan consisting of an optimal portfolio of electricity resources to meet the 2030 GHG emissions planning target.
- Sets a GHG Planning Price for use in the IRP process and a GHG Adder for use in the evaluation of cost-effectiveness of distributed energy resources.
- Identifies next steps to support the IRP process.

#### **SAFETY CONSIDERATIONS:**

- There are no safety considerations associated with this decision.

#### **ESTIMATED COST:**

- \$3 million annually for six years, for technical support for the IRP process, reimbursable to the Commission from the ratepayers of the three large investor owned electric utilities.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 36 [16255] – Order Extending Statutory Deadline

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A15-09-001

Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2017.

**Ratesetting**

**Comr Picker - Judge Roscow**

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#### **PROPOSED OUTCOME :**

- Extends the statutory deadline for completion of this proceeding until August 9, 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.





# Commissioners' Reports





# Management Reports





# Regular Agenda – Management Reports and Resolutions

## Item # 38 [16258]

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

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# **SED's Audit and Inspection Program for Electric Utility Substations**

**Charlotte TerKeurst, Program Manager**

**Wilson Tsai, Utilities Engineer**

Electric Safety and Reliability Branch  
Safety and Enforcement Division

**February 8, 2018**





# Overview

- Background of substation program
- General Order 174 adopted in 2012
- Substation audits/inspections started in 2013.
- A typical substation audit/inspection takes one week on-site, including travel, and covers one district of a large utility or perhaps all of smaller utility.
- Examples of GO 174 violations







# Background of Substation Program

- OII opened after December 20, 2003 fire at PG&E's Mission substation.
- Settlement in the OII required PG&E to provide funds to support development of a Commission substation inspection program.
- D.12-10-029 in an OIR:
  - Adopted General Order 174, Rules for Electric Substations
  - Required utilities and SED to meet annually (2014-2016) to develop best practices for substation safety and inspections
  - Required SED to submit a report in second quarter of 2016





# GO 174 Rules

- General Order 174 applies to all electric utilities, including investor owned and publicly owned utilities.
- Facilities subject to CAISO control and/or FERC reliability standards are exempt from GO 174.
- The rules are performance-based. Each utility must:
  - Establish, update and follow an inspection program
  - Inspect equipment as often as necessary
  - Specify, and meet, time intervals for inspections
  - Use qualified inspectors
  - Keep records of inspections and equipment condition
  - Report inspection activities to CPUC annually





# Electric Substations Subject to GO 174

(excludes facilities subject to CAISO control and/or FERC reliability standards)

IOUs		Examples of POUs*	
PG&E	961	LADWP	190
SCE	576	SMUD	186
SDG&E	133	Imperial Irrigation District	93
PacifiCorp	47	Pasadena Water & Power	
Liberty Utilities	13	Trinity Public Utilities	
NV Energy	8	Lassen MUD	
Bear Valley Electric	3		
TOTAL over 2210 substations			
*About 60 publicly owned utilities are subject to GO 174; most have very few substations.			





# What is a Substation?

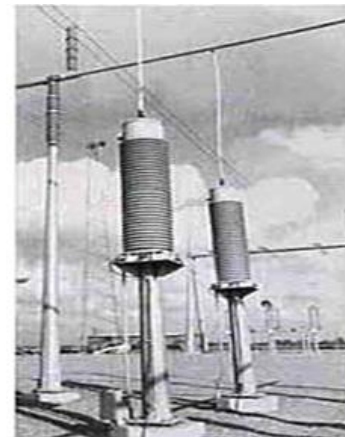
**Substation:** An assemblage of equipment, (e.g., switches, circuit breakers, buses, and transformers), under the control of qualified persons, through which electric energy is passed for the purpose of switching or modifying its characteristics. (GO 174.)





# Equipment in Substations

- Busses, switchgear
- Capacitor banks
- Relays, circuit breakers
- Transformers
- Reactors
- Voltage regulators
- Insulators, bushings, surge arrestors
- Grounding system
- Metering, controls (SCADA), alarms
- Batteries
- Fire detection & suppression systems
- Support structures
- Buildings, perimeter fences, gates





# Substation Audit – Records Review

- Review records
  - Ensure utility follows its own program
- Ensure utility procedures comply with GO 174
  - Meet accepted good practices
  - Include, at a minimum, all elements of GO 174
- Interview substation staff
- Review risk assessment and inspection philosophy with utility





# Substation Inspections - Field

- May inspect up to about 20 substations, depending on size of utility or district
- Visual
  - Walk-downs looking for wear, dirty insulators, worn cabling, rust, checking fluid and voltage levels, alignment, leaks, etc.
  - Open equipment and measure, check for tolerances, cleanliness, loose or missing parts, torques, etc.
- Auditory
  - Listen for tell tale signs of problems
    - “Buzzing” insulators, rattling





# Substation Inspection - Field

- Check records and review utility tests on equipment:
  - Meggering, DLRO resistance testing of circuit breakers
  - Regular relay testing or setting
  - Battery load testing
  - Transformer oil testing, turns ratio, power factor testing for transformers
  - Infrared testing, hi-pot, soak, partial discharge testing
  - Fall of potential, soil resistance testing
  - Predictive monitoring and inspections
  - Monitoring faults, load, trending
  - Condition based maintenance







# SED Work after Audit/Inspection

- Submit additional data requests if needed
- Update database with audit findings
- Prepare audit report
- Prepare and send letter to utility with documentation of findings
- Utility responds within 30 days regarding remedial actions.
- SED closes the audit when satisfied with utility response.





# Examples of GO 174 Violations

- Maintenance not performed by scheduled completion date
- Inspections not conducted as scheduled.
- Equipment not properly maintained, e.g., showing signs of rust, contamination, leakage
- Wildlife intrusion on substation equipment
- Bird's nests obstructing equipment
- Equipment gauges unreadable or not working
- Damaged equipment





# Questions?

For additional information: <http://www.cpuc.ca.gov/esrb/>

*This presentation is dedicated to the memory of Ben Brinkman, who was the main architect of SED's substation safety program.*





# Regular Agenda – Management Reports and Resolutions

## Item # 38 [16258]

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

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# Regular Agenda – Management Reports and Resolutions

**Item # 39 [16259]**

## **Management Report on Administrative Activities**

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# Regular Agenda – Management Reports and Resolutions

**Item # 40 [16270]**

**Pacific Forest and Watershed Lands Stewardship Council  
Biannual Report to the California Public Utilities  
Commission**

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A stylized, light green graphic of a tree with a curved trunk and a circular canopy, positioned on the left side of the page.

**Pacific Forest and Watershed  
Lands Stewardship Council**

**California Public  
Utilities Commission**

Biannual Report

February 8, 2018



# Stewardship Council Mission

- To protect and enhance PG&E's watershed lands and uses
- To invest in efforts to improve the lives of young Californians through connections with the outdoors







# Permanent Protection of PG&E Watershed Lands

**Permanent protection and/or enhancement of the Beneficial Public Values will be achieved through:**

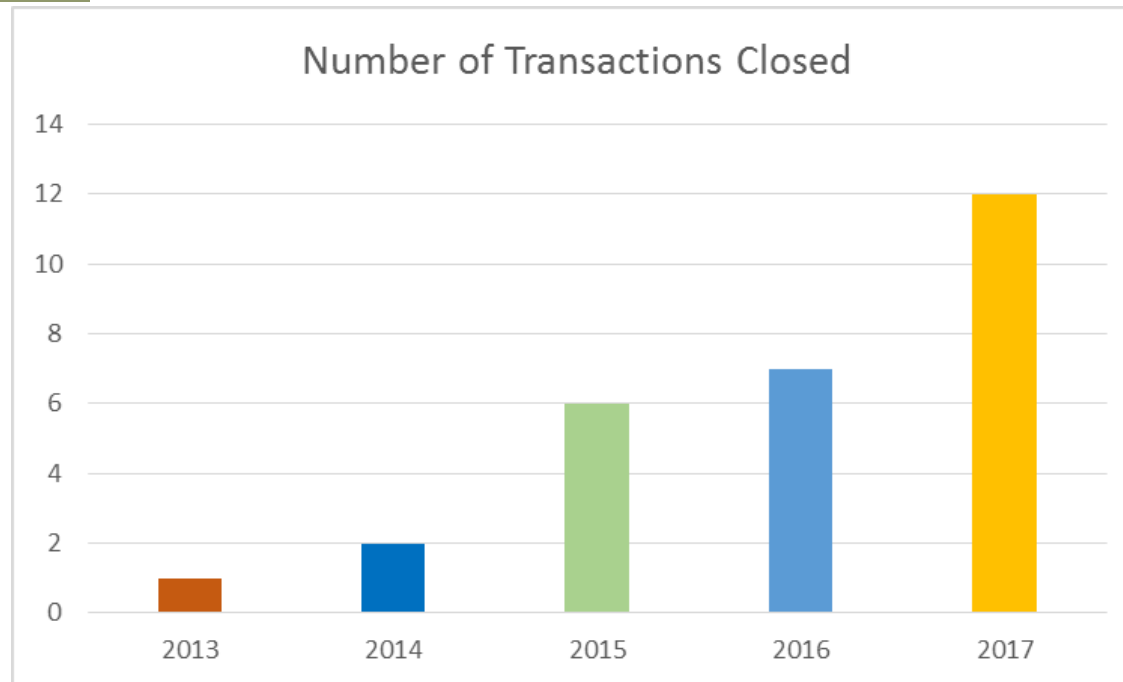
- The donation of a portion of watershed lands to qualified entities with PG&E retaining certain lands including those needed for hydroelectric operations
- The establishment of conservation easements
- The promotion of new collaborative partnerships
- The funding of a variety of enhancement projects

# PG&E Watershed Lands

- 140,000 acres of land
- 22 counties
- 47 planning units
- 9 watersheds
- 1,000 parcels
- 100 transactions



# Transaction Closings



- 28 total transactions have closed escrow
- 12 transactions closed in 2017



# McArthur Swamp



4,491 acres donated to Fall River  
Resource Conservation District



3,170 acres of PG&E retained lands  
to close Spring 2018



## Fordyce Kidd & Cascade Lakes

CE transaction closed - 248 acres



# Watershed Lands Summary

Of the 140,000 acres, we anticipate:

- **~38,300** acres will be Donated in Fee Title, encumbered by a conservation easement
- **~103,300** acres will be Retained by PG&E, encumbered by a conservation easement
- **~90** acres are being designated by Stewardship Council Board as having No Significant Public Interest Value (NSPIV) and will not be encumbered by a conservation easement

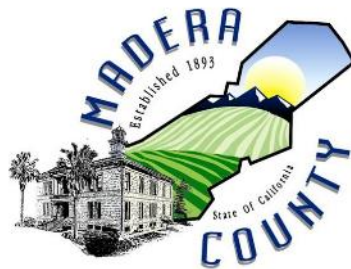
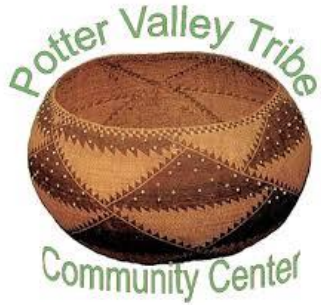


# Board Recommendations To Date: Conservation Easement Holders





# Board Recommendations To Date: Fee Title Donees



Fall River Resource Conservation District



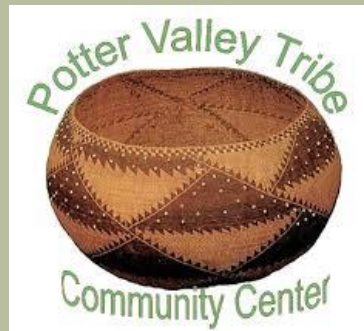




# Native American Organizations and Tribes

Donated Acres Recommended to Native American Entites	
<b>Potter Valley Tribe</b>	<b>Acres</b>
Eel River	673
Eel River	219
<b>Total</b>	<b>892</b>
<b>Maidu Summit Consortium</b>	
Lake Almanor (Cemetery)	146
Lake Almanor (Forest)	190
Lake Almanor (Center)	24
Lake Almanor (Wetlands)	324
Humbug Valley	2,325
<b>Total</b>	<b>3,009</b>
<b>Pit River Tribe</b>	
Hat Creek	850
<b>Total Acres:</b>	<b>4,751</b>

# Potter Valley Tribe



- Trout Creek – 673 acres
- Lower Trout Creek – 219 acres
- 7<sup>th</sup> Annual Intertribal Environmental Youth Campout
- 26<sup>th</sup> Annual Eel River Cleanup





# Pit River Tribe



**Hat Creek Planning Unit -  
850 Acres**





# Pit River Tribe





# Maidu Summit Consortium and Conservancy



## **Member Groups:**

Greenville Rancheria  
Maidu Cultural Development Group  
Maiduk Weye  
Mountain Maidu Historical Preservation  
Association



Roundhouse Council  
Susanville Rancheria  
Tasmam Koyom Foundation  
Tsi-Akim Maidu  
United Maidu Nation



# Maidu Summit Consortium and Conservancy



**Humbug Valley**  
Also known  
as "Tasmam  
Kojom" in Maidu

**2,325 Acres**



# Maidu Summit Consortium and Conservancy



## Maidu Summit Consortium Donations at Lake Almanor Planning Unit

**684 Acres in 4  
separate donations**





# Opportunities and Protections

- **Outreach and Engagement**
- **Land Conservation Partner**
- **Enhancement Projects**
- **Conservation Easement**





# Youth Investment Program

## Connecting underserved California youth to the outdoors

- Park investments
- Support for outdoor programs
- Total PG&E ratepayer funding commitment \$30 million



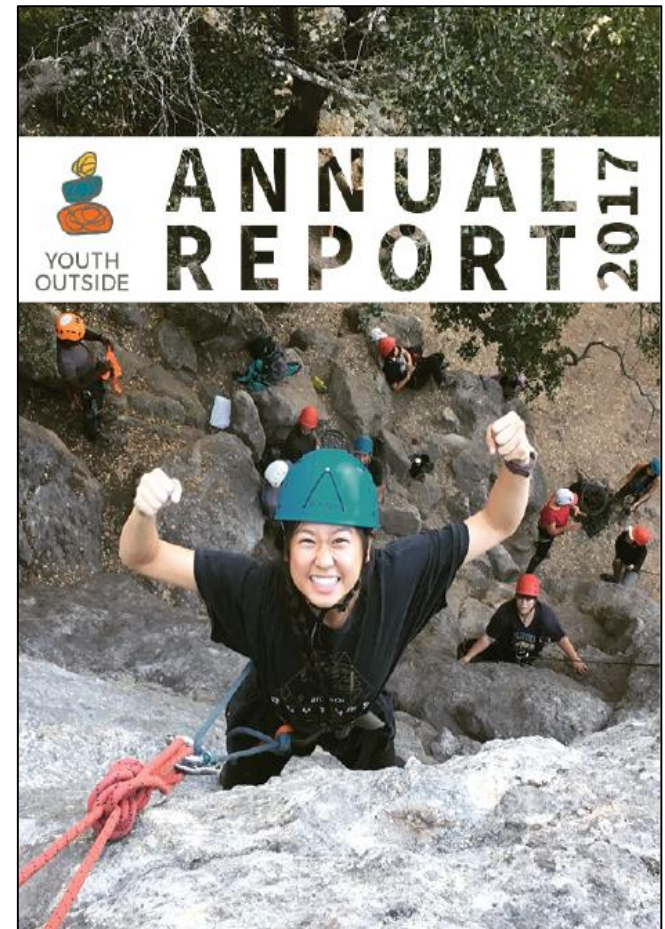


## Youth Outside's Creation and Mission

- In 2010, the Stewardship Council created Youth Outside to continue our grantmaking beyond the life of the Stewardship Council.
- Youth Outside is using funds provided by the Stewardship Council and other donors to implement a robust grantmaking program and other initiatives to build healthy lives and inspire future stewards of our lands.



- **Over 8,500 underrepresented youth** received access to transformative outdoor experiences through Youth Outside's programs and grantmaking.
- **\$741,000 in grantmaking deployed to 37 grantee organizations**
- 32 organizations received training and tools to help their youth programs address equity and be more inclusive.





# Youth Investment Program: Training Apprenticeship Program (TAP)



- **\$80K grant** from the Stewardship Council in 2016/17 to the California Council of Land Trusts to launch a new program to create a 'one-stop-shop' for conservation organizations seeking interns and young adults seeking placement.
  - As a pilot, 7 young adults participated in summer internships with 4 land trusts
  - Next step is for CCLT to take program to scale





# Youth Investment Program: Watershed Grantmaking Program

- **\$425K** set aside for collaborative project between Youth Outside, California Council of Land Trusts, PG&E, land trusts, and youth serving organizations to connect youth to PG&E watershed lands.
- This will lead to the development of a Best Practices Toolkit to help youth providers, landowners, and land trusts connect youth to nature and the outdoors.



# Thank you





# Regular Agenda – Management Reports and Resolutions

**Item # 40 [16270]**

**Pacific Forest and Watershed Lands Stewardship Council  
Biannual Report to the California Public Utilities  
Commission**

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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:**

**March 1, 2018 at 9:30 a.m.  
in Huntington Park, CA**

