



**CPUC Public Agenda 3368**  
**Thursday, December 3, 2015 9:30 a.m.**  
**San Francisco, CA**



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

[www.cpuc.ca.gov](http://www.cpuc.ca.gov)





# The Pledge of Allegiance



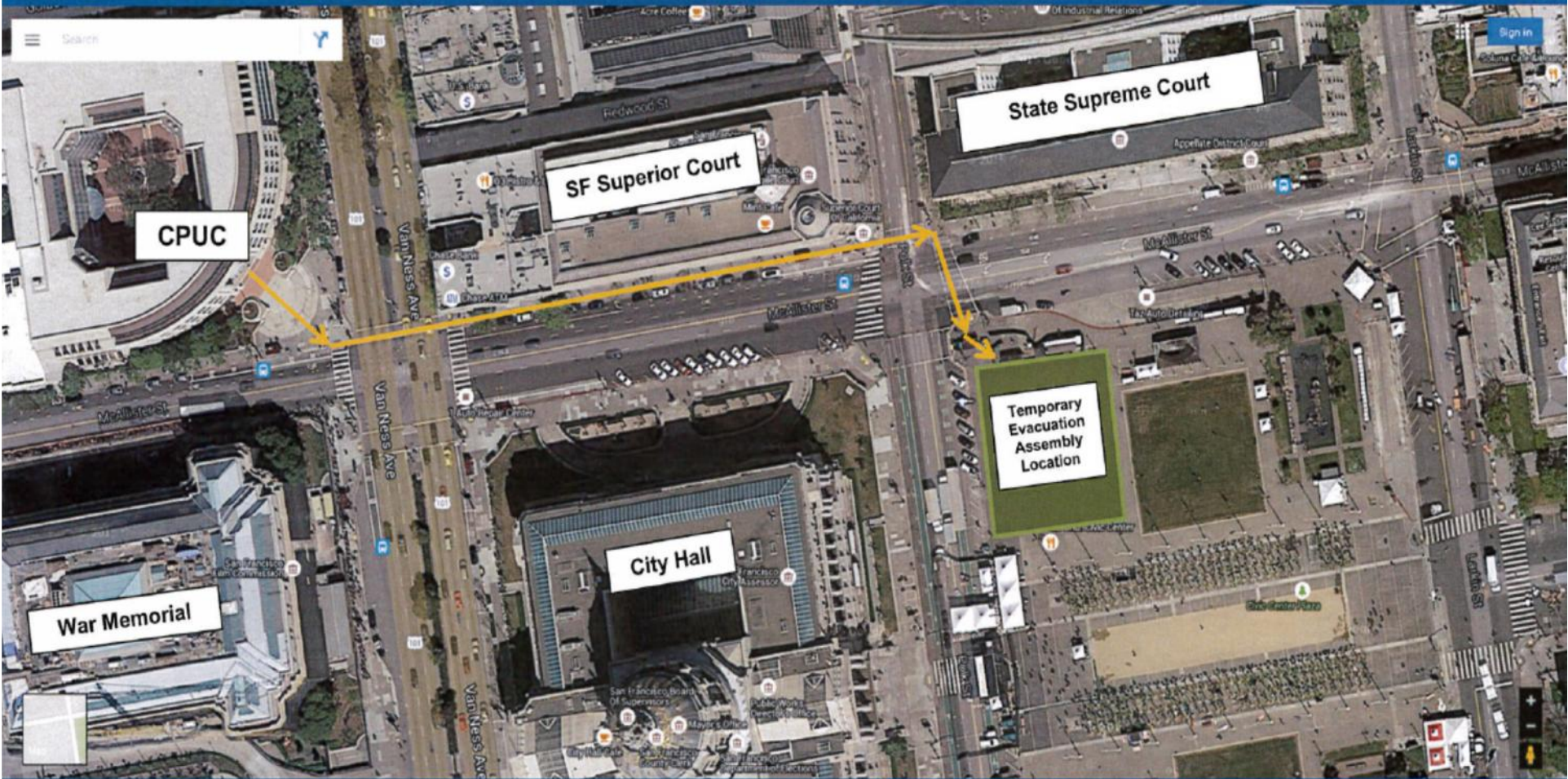
“I pledge allegiance to the Flag of the  
United States of America,  
and to the Republic for which it stands,  
one nation under God,  
indivisible,  
with liberty and justice for all.”







# Temporary Evacuation Assembly Location







# Public Comment

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

## **The following items are NOT subject to Public Comment:**

- 9, 16, 29, 44
- 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.
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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, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35**
- 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 Items** 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 8** has been moved to the Regular Agenda as Item 48.
- **Item 2** has been withdrawn.
- The following items have been held to future Commission Meetings:
  - Held to **12/17/15**: **17, 36, 38, 40, 42**
  - Held to **1/14/16**: **39**
  - Held to **1/28/16**: **43**





# 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 # 48 (Previously Item # 8) [14409] – Approving Modification of Decision 14-06-018 and Granting a Waiver of the Three-Year Filing Requirement Contained in Decision 07-07-004**

A09-11-015 - In the Matter of the Application of PacifiCorp, an Oregon Company, for an Order Authorizing a General Rate Increase Effective January 1, 2011.

**Ratesetting**

**Comr. Picker / Judge Wilson**

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#### **PROPOSED OUTCOME:**

- Grants PacifiCorp's Petition to Modify Decision (D.) 14-06-018 in Application 09-11-015, and authorizes PacifiCorp to: 1) make a Post-Test Year Adjustment Mechanism (PTAM) Attrition Factor filing effective January 1, 2017; 2) forgo filing a General Rate Case (GRC) application for Test Years 2016 and 2017 (as required by D.07-07-004); 3) file its next GRC application for Test Year 2018; and 4) implement any rate change related to the PTAM by applying the overall PTAM percentage change as a uniform percentage change to all rate elements that were adjusted in PacifiCorp's 2009 GRC, excluding Schedules S-99, S-100, S-190, S-191, S-192, S-199, ECAC-94, GHG-92, and GHG-93.
- Closes the proceeding.

#### **SAFETY CONSIDERATIONS:**

- It is the utility's responsibility to adhere to all Commission rules, decisions, General Orders and statutes including Public Utilities Code Section 451 to take all actions "...necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

#### **ESTIMATED COST:**

- No cost is associated with this decision.





## Regular Agenda – Energy Orders

### Item # 37 [14401] – Violations by Southern California Edison Company of Rule 8.4 and 1.1, and Imposing Sanctions

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I12-10-013, A13-01-016, A13-01-005, A13-03-013 and A13-03-014 - Related matters.

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

**Ratesetting**

**Comr. Sandoval / Judge Darling**

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#### **PROPOSED OUTCOME:**

- Southern California Edison Company (SCE) shall pay a financial penalty to the General Fund of \$16,740,000 for violations of Commission rules; SCE shall establish public tracking of individual non-public communications where SCE and a Commissioner(s) or advisor are present.

#### **SAFETY CONSIDERATIONS:**

- None as a result of this decision.

#### **ESTIMATED COST:**

- \$16,740,000 financial penalty to be paid by SCE to the General Fund.





## Regular Agenda – Communication Resolutions and Reports

### Item # 41 [14418] – Funding for Bright Fiber Project from the California Advanced Services Fund Grant Application for Nevada County

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Res T-17495

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#### **PROPOSED OUTCOME:**

- Approves grant funding in the amount of \$16,339,451 and loan funding of \$500,000 from the California Advanced Services Fund for the grant application of Bright Fiber Network, Inc. for installation of a fiber-to-the-premises system in rural Nevada County.
- Extends gigabit high-speed internet service to an estimated 1,963 households spread amongst about 21 square miles in underserved Nevada County communities, generally between the outskirts of Grass Valley and Colfax.

#### **SAFETY CONSIDERATIONS:**

- The construction of this project would provide redundant broadband infrastructure in the area that provide additional benefits to educational, medical, and public safety entities.

#### **ESTIMATED COST:**

- \$16,339,451 grant plus \$500,000 loan paid by ratepayers.





# Bright Fiber - Bright Fiber, Inc.

## CASF Project



**Robert Wullenjohn**

*Program Manager, Communications Division*

**December 3, 2015**

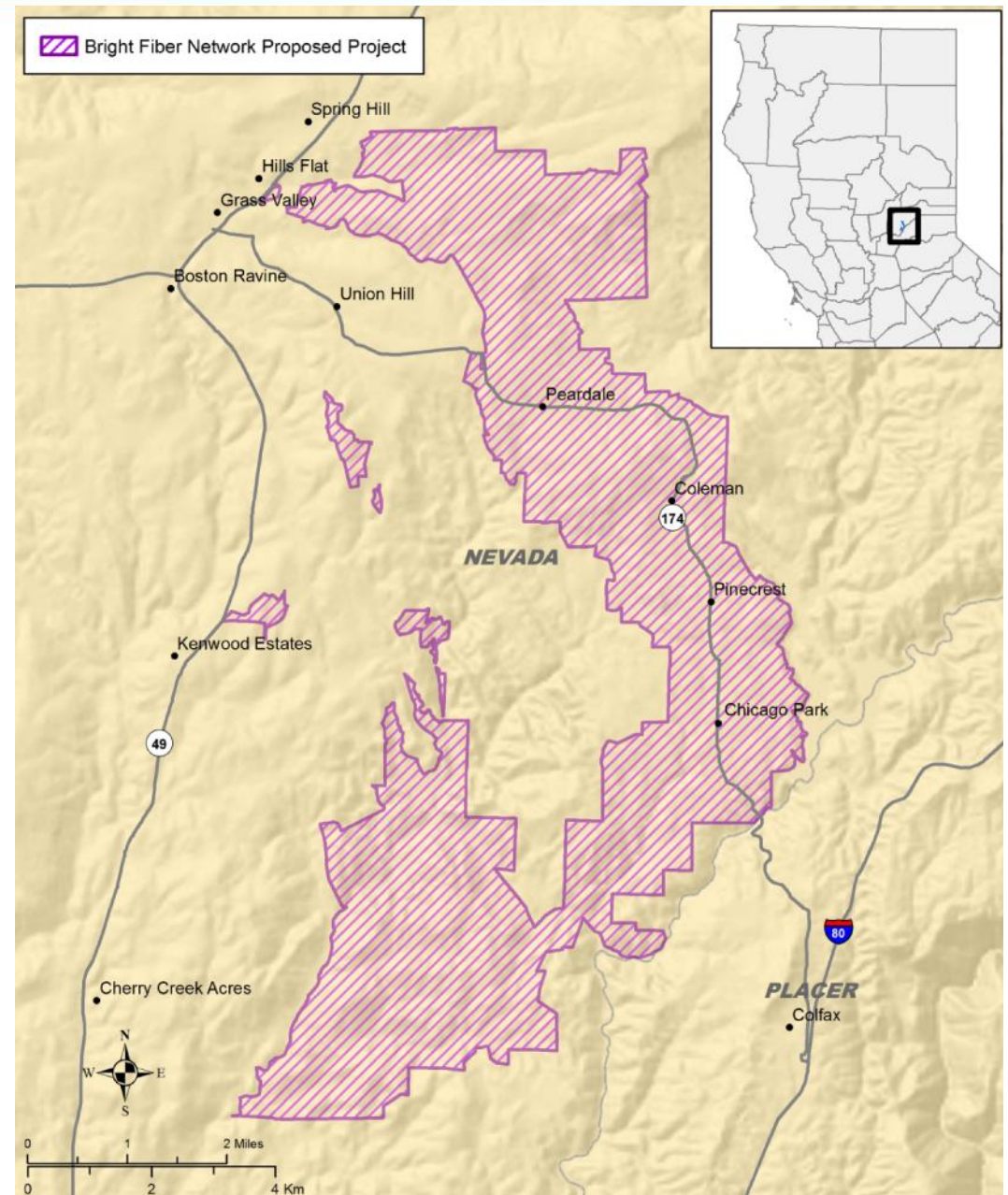






# Summary

- Rural Nevada County
- Applied on Feb. 1, 2013
- Fiber-to-the-premises
- 1 Gbps down/up
- 2,272 households requested, but 1,941 eligible
- Grant request: \$16,156,323 (59.3% of \$27,232,418) / \$8,324 per household
- Loan request: \$500,000
- \$10,576,095 in private investor funding
- Performance bond required







## Response to Challenges

- Removed areas containing proven wired networks
- Mobile not an issue, per CalSPEED
- Fixed wireless partially serves most of project area
  - Unable to serve 100% of households due to foliage and hills
  - Accepted subscriptions to SERVED speed tiers, but did not carve out neighborhoods
  - Ad hoc setups (right) require additional costs





## Bright Fiber Project Advantages

1. Not affected by terrain or foliage
2. 50 times faster than fastest claimed fixed-wireless option in area
3. Future proof to changed definition of “broadband”
4. Best value per megabit of all “served” offerings / least-expensive option overall for low-income customers (for at least two years):

Provider (Tier)	Down/Up (Mbps)	Monthly cost	Price per Mb
<i>Smarter Broadband (Basic Ultimate)</i>	6/1.5	\$49	\$6.53
<i>Smarter Broadband (15 Ultimate)</i>	15/4	\$199	\$10.47
<i>ColfaxNet (6)</i>	6/6	\$64.95	\$5.41
<i>ColfaxNet (20)</i>	20/20	\$150	\$3.75
<b><i>Bright Fiber (Basic)</i></b>	<b>1,000/1,000</b>	<b>\$119</b>	<b>\$0.06</b>
<b><i>Bright Fiber (Low Income)</i></b>	<b>1,000/1,000</b>	<b>\$25</b>	<b>\$0.01</b>







## Additional Benefits

### Public Safety

- Two medical offices in project area
- No public safety facilities in project area
- Grass Valley CalFire/USFS command center (*right*) is across street from grant project area and Bright Fiber states it intends to offer redundant service outside grant area



### Economic Development

- Staff visited manufacturers and small shops (e.g., left photo)
- They report that fixed wireless speeds are not sufficient
- Observed empty office parks
- Strong community support







## Staff Concerns

- Finances of applicant
  - Will seek equity investors for matching funds
  - No provision to repay investors in first five years
  - Requires high, 72-percent take rate to be profitable after five years
- Uncertain CEQA status
  - Applicant claims project is CEQA exempt, but If EIR is required additional costs incurred
- Eligibility
  - No way to independently prove fixed-wireless service availability claims
- RUS Grant to Smarter Broadband
  - Service availability limitations require customers to incur service extension costs
  - Creates appearance of double government funding in project area
- Expensive relative to incremental fixed-wireless deployment





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#### **ESTIMATED COST:**

- \$16,339,451 grant plus \$500,000 loan paid by ratepayers.





## Regular Agenda – Orders Extending Statutory Deadline

### Item # 44 [14475] – Order Extending Statutory Deadline

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**C12-08-015, C13-11-002** – Related matters.

David Davis vs. Southern California Edison Company.

**Adjudicatory**

**Comr. Randolph / Judge McKinney**

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#### **PROPOSED OUTCOME:**

- Extends statutory deadline for Case 13-11-002 to June 19, 2016.

#### **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







# Commissioner Sandoval's Report



## Commissioner Catherine Sandoval California Public Utilities Commission

December 3, 2015





# Frontier/Verizon Proceeding Thank

## You All

William  
Johnston

Safety & Enforcement Division  
Elizaveta Malashenko  
Peter Allen  
Charlotte Terkheurst  
Fadi Daye  
Peter Chang  
Danny Tse

Administrative Law Judges  
Karl Bemederfer  
Anthony Colbert  
Dorothy Duda  
Karen Clopton  
STAR Unit: Andrew Rico  
Donna Hubbard

Communications Division  
Geraldine Carlin  
Karen Eckersley  
Ryan Dulin  
Michael Amato  
Danny Tse  
Peter Chang

Advisors who traveled with us for  
much of the way: Liz Podolinsky

Legal Division  
Helen Mickiewicz  
Kim Lippi  
Arocles Aguilar

Public Advisor's Touring Company  
Karen Miller  
Juanita Hill  
Mary Evans  
Steven Klaiber  
Claudia Portillo  
Sadrud-Din Muhammad  
Nunu Phengphanh  
Emilio Victorio-Sanchez  
Alejandra Martinez

Court Reporters  
Ana Gonzalez  
Wendy Pun  
Michael Shintaku





## More Thanks

The Tribes who hosted us:

Hoopa  
Yurok  
Karuk

The American Indian Chamber of Commerce of California,  
Tracy Stanhoff, President

The Applicants and Parties who joined us on the road:

Frontier, Verizon

Joint Minorities, Entravision

ORA

Center for Accessible Technology

TURN

Greenlining

CalTel

CETF

The many members of the public – over 1100 across 11 PPHs and workshops – across the 1000 mile length of the state...and the communities who hosted us: Garberville, Hoopa, Orleans, Weitchpec, Rancho Mirage, Claremont, Santa Clara University, Long Beach, Santa Barbara, Ridgecrest, and Mammoth Lakes.

CPUC Commissioners:

President Picker

Commissioner Sandoval

Commissioner Florio

Commissioner Peterman

Commissioner Randolph

Commissioner  
Sandoval's Office:

Ditas Katague

William Johnston

Valerie Malliett, Lolita Hajian

Amy Baker, Jamie Ormond

The Orleans Volunteer Fire Department; Access Humboldt, Sean McLaughlin, Executive Director; The Santa Barbara County Board of Supervisors and CSB TV





Poseidon Desal Plant Tour







Poseidon Desal Sea Water Supply





Cal Water East Los Angeles District  
Water Conservation Celebration.





# Commissioners' Reports







# Management Reports







# Regular Agenda – Management Reports and Resolutions

## Item #45 [14389]

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### Report and Discussion by Safety and Enforcement Division on Recent Safety Program 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:**

**December 17, 2015 at 9:30 a.m.  
in San Francisco, CA**

