



CPUC Public Agenda 3423

Thursday, September 13, 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





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.”





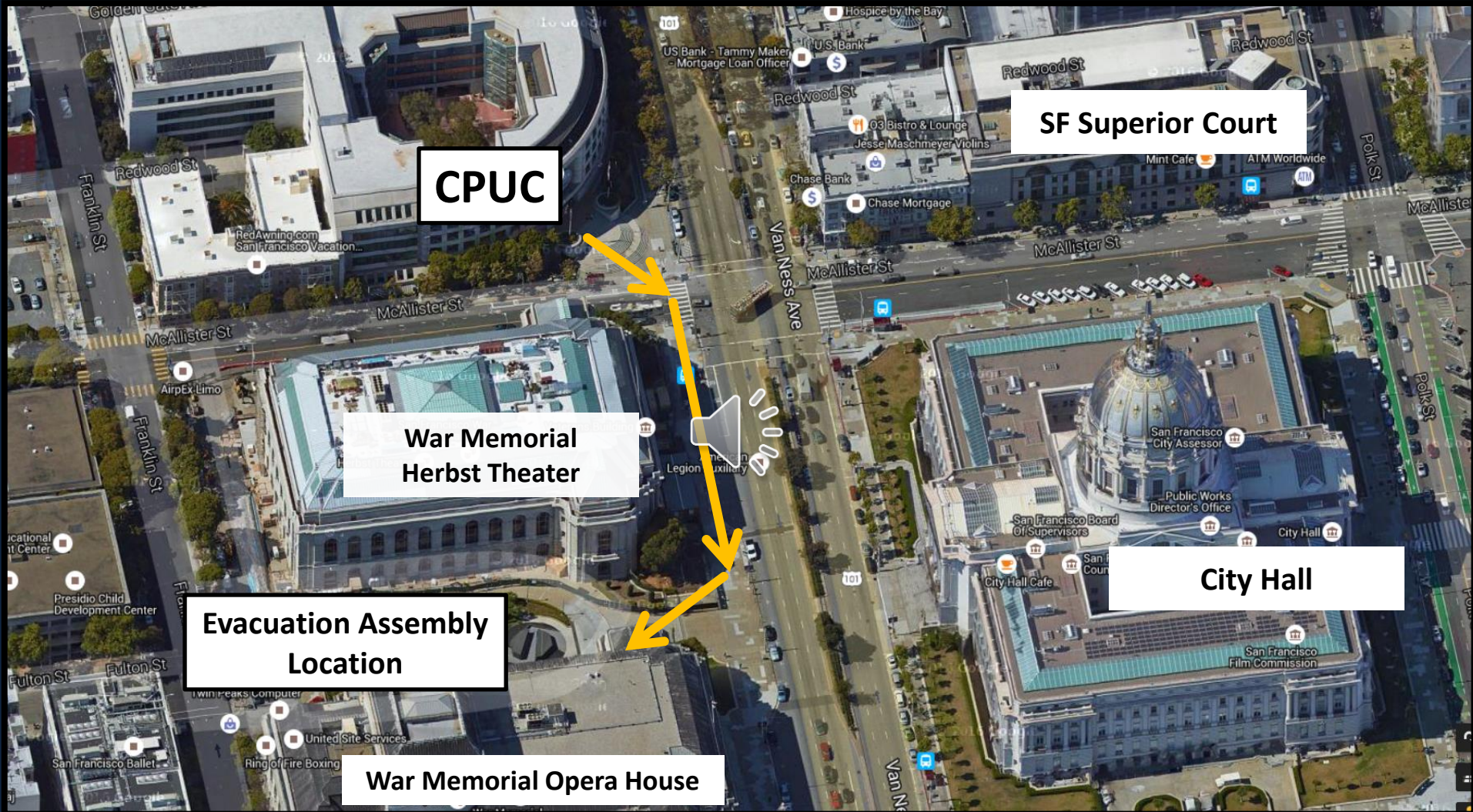
Emergency Evacuation

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:

- **1, 8, 32, 32A, 35, 38, and 39**
- All items on the Closed Session Agenda





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 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.

Public Comment is not permitted on the following items:

- **1, 8, 32, 32A, 35, 38, and 39**
- All items on the Closed Session Agenda





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 1 minute to address the Commission.
- 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:

- 1, 8, 32, 32A, 35, 38, and 39
- All items on the Closed Session Agenda





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, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, and 29.**
- 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 41** 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.
- **No Item** has been moved to the Regular Agenda.
- **Items 19, 42, 43, 44, 45, 46, and 47** have been withdrawn.
- The following items have been held to future Commission Meetings:
 - Held to 9/27/18: **3, 4, 5, 11, 12, 31, 31A, and 35.**
 - Held to 10/11/18: **2 and 28.**





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.
- Late changes to agenda items are available on the Escutia Table.





Regular Agenda- Energy Orders

Item # 30 [16237] – Southern California Edison Company Lease of Fiber Optic Cables to Cellco Partnership d/b/a Verizon Wireless

A.17-02-001

In the Matter of the Application of Southern California Edison Company for Authority to Lease Certain Fiber Optic Cables to Cellco Partnership d/b/a Verizon Wireless under the Master Dark Fiber Lease Agreement Pursuant to Public Utilities Code Section 851.

Ratesetting

Comr Rechtschaffen - Judge Yacknin

PROPOSED OUTCOME :

- Grants authority to lease fiber optic cables to Verizon Wireless and allocates revenues 25/75 to shareholders/ratepayers.
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- There are no safety concerns associated with this decision.

ESTIMATED COST :

- There is no cost associated with this decision.





Regular Agenda- Energy Orders (continued)

Item # 30A [16657] – Commissioner Rechtschaffen's Alternate to Item 16237

A.17-02-001

In the Matter of the Application of Southern California Edison Company for Authority to Lease Certain Fiber Optic Cables to Cellco Partnership d/b/a Verizon Wireless under the Master Dark Fiber Lease Agreement Pursuant to Public Utilities Code Section 851.

Ratesetting

Comr Rechtschaffen

PROPOSED OUTCOME :

- Grants authority to lease fiber optic cables to Verizon Wireless and allocates revenues 50/50 to shareholders/ratepayers.
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- There are no safety concerns associated with this decision.

ESTIMATED COST :

- There is no cost associated with this decision.





Regular Agenda- Communication Orders

Item # 32 [16588] – Modified Presiding Officer's Decision on Pole Attachment Fee Dispute Between California Cable & Telecommunications Association and San Diego Gas & Electric Company

C.17-11-002

California Cable & Telecommunications Association vs. San Diego Gas & Electric Company.

Adjudicatory

Comr Rechtschaffen - Judge Yacknin

PROPOSED OUTCOME :

- Dismisses complaint without prejudice to California Cable & Telecommunications Association bringing an application for expedited dispute arbitration pursuant to Decision 98-10-058 (the Right-of-Way Decision).
- Closes the proceeding.

SAFETY CONSIDERATIONS :

- There are no safety considerations associated with this decision.

ESTIMATED COST :

- There are no costs associated with this decision.





Regular Agenda- Communication Orders (continued)

Item # 32A [16791] – Decision Different to Item 16588

C.17-11-002

California Cable & Telecommunications Association, v. San Diego Gas & Electric Company

Adjudicatory

Comr Rechtschaffen

PROPOSED OUTCOME :

- Resolves motion to dismiss complaint.

SAFETY CONSIDERATIONS :

- There are no safety considerations associated with this decision.

ESTIMATED COST :

- There are no costs associated with this decision.





Regular Agenda- Water/Sewer Orders

Item # 33 [16767] – California-American Water Company's Monterey Peninsula Water Supply Project

A.12-04-019

Application of California-American Water Company for Approval of Monterey Peninsula Water Supply Project and to Recover All Present and Future Costs in Rates.

Ratesetting

Comr Randolph - Judge Haga - Judge Houck - Judge Weatherford

PROPOSED OUTCOME :

- Certifies and applies the combined Final Environmental Impact Report /Environmental Impact Statement (EIR/EIS) and authorizes a Certificate of Public Convenience and Necessity for California American Water Company's (Cal-Am) Modified Monterey Peninsula Water Supply Project, fed primarily by ocean water.
- Adopts settlement agreements (brine discharge and return water).
- Discusses the need for water supplies in Cal-Am's Monterey District, reviewing demand and supply estimates and selecting estimates supported by the best evidence.
- The decision takes into account and apportions between ratepayers and Cal-Am the risks associated with various water supplies.
- Compliance conditions are imposed in the decision, and the settlement agreements and other relevant documents are attached as appendices.
- The proceeding is closed.

SAFETY CONSIDERATIONS :

- Provides authorizations to the utility so that it can provide safe and reliable water service to its customers and meet all applicable regulations for the safe operation of its facilities, WR 2016-0016, which amends Orders 95-10 and 2009-0060, set forth by the State Water Resources Control Board.

ESTIMATED COST :

- The \$297.5 million cost cap proposed by Settling Parties, and adopted in this decision, represents the estimated upper cost limit for the proposed project.





Regular Agenda- Water/Sewer Resolutions and Reports

Item # 34 [16577] – OPTION A - San Gabriel Valley Water Company to Amortize the Under-Collected Balances Contained in its Drought Lost Revenue and Drought Surcharge Revenue Memorandum Accounts for Los Angeles and Fontana Divisions

Res W-5169, Advice Letter (AL) 507-W and AL 508-W filed December 8, 2017 – Related matters.

PROPOSED OUTCOME:

- Approves San Gabriel Valley Water Company's (San Gabriel) Advice Letter (AL) 507-W and AL 508-W.
- San Gabriel shall, within five days of the effective date of this resolution, supplement AL 507-W and AL 508-W, incorporating the revised rate schedules attached to this Resolution as Appendix A and Appendix B.
- Authorizes San Gabriel's Los Angeles Division to recover the net under collection balance of \$3,532,149, and Fontana Division's net under collection balance of \$3,586,304, the net of the Drought Lost Revenue Memorandum Account and the Drought Surcharge-Revenue Memorandum Account balances as of November 30, 2017.
- Closes San Gabriel's Drought Lost Revenue Memorandum Account and Drought Surcharge Revenue Memorandum Account.

SAFETY CONSIDERATIONS:

- The resolution provides adequate revenues to the utility so that it can provide safe and reliable water service to its customers and meet all applicable water quality standards set forth by the State Water Resources Control Board.

ESTIMATED COST:

- \$3,532,149 or a surcharge of \$0.2946 per Ccf for a period of 12-months for the Los Angeles Division.
- \$3,586,304 or a surcharge of \$0.1254 per Ccf for a period of 24-months for the Fontana Division.





Resolution W-5169

San Gabriel Valley Water Company

Drought Lost Revenue Memorandum Account

- Under-collection Balance
 - Los Angeles: **\$3,532,149** or 4.9%
 - Fontana: **\$3,586,304** or 5.1%

Option A

Authorizes Recovery

Effective Oct 2018

Surcharges (per ccf)

- LA: \$0.2946 for 12 mo.
- Fontana: \$0.1254 for 24 mo.

Avg Monthly Bill Impacts

- LA: \$4.12
- Fontana: \$2.38

**Additional rate adjustment
in between GRCs**

Option B

Defers Recovery

Comprehensive review in
2019 GRC

Effective TY July 2020

Interest Build-Up of 2 Years

- Balances will increase by about
\$10,000 each

**Larger rate impact from
GRC**





Resolution W-5169

San Gabriel Valley Water Company

Drought Lost Revenue Memorandum Account

Option
C

Authorizes Recovery

Effective Oct 2018

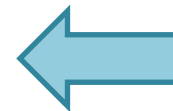
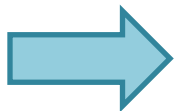
Surcharges (per ccf)

- LA: **\$0.1473** for 24 mo.
- Fontana: \$0.1254 for 24 mo.

Avg Monthly Bill Impacts

- LA: **\$2.06**
- Fontana: \$2.38

**Additional rate adjustment
in between GRCs**





Resolution W-5169

San Gabriel Valley Water Company

Drought Lost Revenue Memorandum Account

- Rate Adjustments since last GRC (TY July 2017)
 - Los Angeles: **5**
 - 3 Increases & 2 Decreases
 - Total net increase of typical customer's monthly bill: **\$6.39**
 - Fontana: **8**
 - 5 Increases & 3 Decreases
 - Total net increase of typical customer's monthly bill: **\$8.62**
- Standard Practice U-40-W – Drought Procedures
 - Allows for recovery outside of GRC
 - Ultimately as directed or authorized by Commission





Regular Agenda- Water/Sewer Resolutions and Reports (continued)

Item # 34A [16636] – OPTION B - Order Denying San Gabriel Valley Water Company’s Request to Amortize the Under-Collected Balances Contained in its Drought Lost Revenue Memorandum Account and in its Drought Surcharge Revenue Memorandum Accounts for its Los Angeles and Fontana Divisions

Res W-5169, Advice Letter (AL) 507-W and AL 508-W filed December 8, 2017 – Related matters.

PROPOSED OUTCOME:

- Denies San Gabriel Valley Water Company's (San Gabriel) requests in Advice Letter (AL) 507-W and AL 508-W.
- Rejects AL 507-W and AL 508-W without prejudice.
- San Gabriel shall report on the balances in its Drought Lost Revenue Memorandum Accounts and the Drought Surcharge-Revenue Memorandum Accounts for its Fontana and Los Angeles Divisions in the Company's forthcoming general rate case proceeding scheduled to be filed January 1, 2019.
- San Gabriel shall also propose adjustment to its rates for the reported balances in the context of its general rate case proceeding.

SAFETY CONSIDERATIONS:

- The resolution provides adequate revenues to the utility so that it can provide safe and reliable water service to its customers and meet all applicable water quality standards set forth by the State Water Resources Control Board.

ESTIMATED COST:

- Not applicable.





Regular Agenda- Water/Sewer Resolutions and Reports (continued)

Item # 34B [16765] – OPTION C - San Gabriel Valley Water Company to Amortize the Under-Collected Balances Contained in its Drought Lost Revenue Memorandum Account and in its Drought Surcharge Revenue Memorandum Account for its Los Angeles and Fontana Divisions

Res W-5169, Advice Letter (AL) 507-W and AL 508-W filed December 8, 2017 – Related matters.

PROPOSED OUTCOME:

- Approves San Gabriel Valley Water Company's (San Gabriel) Advice Letter (AL) 507-W and 508-W.
- San Gabriel shall, within five days of the effective date of this resolution, supplement AL 507-W and 508-W, incorporating the revised rate schedules attached to this Resolution as Appendices A through F.
- Authorizes San Gabriel's Los Angeles Division to recover the net under collection balance of \$3,532,149, the net of its Drought Lost Revenue Memorandum Account and the Drought Surcharge-Revenue Memorandum Account balances as of November 30, 2017.
- Authorizes San Gabriel's Fontana Division to recover the net under collection balance of \$3,586,304, the net of its Drought Lost Revenue Memorandum Account and the Drought Surcharge-Revenue Memorandum Account balances as of November 30, 2017.
- Closes San Gabriel's Drought Lost Revenue Memorandum Account and Drought Surcharge-Revenue Memorandum Account.

SAFETY CONSIDERATIONS:

- The resolution provides adequate revenues to the utility so that it can provide safe and reliable water service to its customers and meet all applicable water quality standards set forth by the State Water Resources Control Board.

ESTIMATED COST:

- \$3,532,149 or a surcharge of \$0.1473 per Ccf for a period of 24-months for the Los Angeles Division.
- \$3,586,304 or a surcharge of \$0.1254 per Ccf for a period of 24-months for the Fontana Division.





Regular Agenda- Orders Extending Statutory Deadline

Item # 36 [16787] – Order Extending Statutory Deadline

I.17-03-002

Order Instituting Investigation on the Commission's Own Motion to Determine Whether the Aliso Canyon Natural Gas Storage Facility has Remained Out of Service for Nine or More Consecutive Months Pursuant to Public Utilities Code Section 455.5(a) and Whether any Expenses Associated with the Out of Service Plant Should be Disallowed from Southern California Gas Company's Rates.

Ratesetting

Comr Randolph - Judge Kelly

PROPOSED OUTCOME:

- Extends the statutory deadline for completion of this proceeding until November 29, 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- Orders Extending Statutory Deadline (continued)

Item # 37 [16789] – Order Extending Statutory Deadline

R.13-11-006

Order Instituting Rulemaking to Develop a Risk-Based Decision-Making Framework to Evaluate Safety and Reliability Improvements and Revise the General Rate Case Plan for Energy Utilities.

Quasi-Legislative

Comr Rechtschaffen - Judge Roscow

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until March 15, 2019.
- This proceeding remains open.

SAFETY CONSIDERATIONS:

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

ESTIMATED COST:

- There are no costs associated with this Order.





Regular Agenda- Orders Extending Statutory Deadline (continued)

Item # 38 [16794] – Order Extending Statutory Deadline

I.16-06-010

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.

Adjudicatory

Comr Randolph - Judge Kim

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until December 31, 2018.
- This proceeding remains open.

SAFETY CONSIDERATIONS:

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

ESTIMATED COST:

- There are no costs associated with this Order.





Regular Agenda- Orders Extending Statutory Deadline (continued)

Item # 39 [16807] – Order Extending Statutory Deadline

I.17-09-004

Order Instituting Investigation and Ordering NetFortris Acquisition Co., Inc. to Appear and Show Cause Why It should not be sanctioned for Violations of the Laws, Rules and Regulations of this State by Monitoring and Recording Employee Telephone Conversations without Prior Consent.

Adjudicatory

Comr Peterman - Judge Goldberg - Judge Kim

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until November 30, 2018.
- This proceeding remains open.

SAFETY CONSIDERATIONS:

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

ESTIMATED COST:

- There are no costs associated with this Order.





Regular Agenda- Orders Extending Statutory Deadline (continued)

Item # 40 [16808] – Order Extending Statutory Deadline

A.16-04-001

Application of Southern California Edison Company for a Commission Finding that its Procurement-Related and Other Operations for the Record Period January 1 Through December 31, 2015 Complied with its Adopted Procurement Plan; for Verification of its Entries in the Energy Resource Recovery Account and Other Regulatory Accounts; and for Refund of \$0.082 Million Recorded in Two Memorandum Accounts.

Ratesetting

Comr Guzman Aceves - Judge Tsen

PROPOSED OUTCOME:

- Extends statutory deadline to March 17, 2019.

SAFETY CONSIDERATIONS:

- No safety considerations are impacted by this decision.

ESTIMATED COST:

- No costs to ratepayers are associated with this decision.





Commissioners' Reports





Management Reports





Regular Agenda – Management Reports and Resolutions

Item # 49 [16753]

Management Report on Administrative Activities





Employee Recognition of CPUC Employees



Alice Stebbins
Executive Director

California Public Utilities Commission

September 13, 2018



Retirement

Jonathan P. Tom





Regular Agenda – Management Reports and Resolutions

Item # 49 [16753]

Management Report on Administrative Activities





Management Reports





The CPUC Thanks You For Attending Today's Meeting

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

**September 27, 2018 at 9:30 a.m.
in Sacramento, CA**

