

CPUC Public Agenda 3512

Thursday, August 4, 2022, 11:00 a.m.

Commissioners:

Alice Reynolds, President

Clifford Rechtschaffen

Genevieve Shiroma

Darcie L. Houck

John Reynolds

www.cpuc.ca.gov



California Public
Utilities Commission

CPUC Mission

We Empower California through:

- Assuring utility services are clean and safe.
- Providing for critical services and infrastructure.
- Designing rates that are fair and reasonable.
- Protecting the interests of consumers and ratepayers

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 call in to toll-free number:



1-800-857-1917

Passcode: 9899501

- ***Para escuchar esta reunión en español, por favor llame: (800) 857-1917, código de acceso: 3799627.***
- Once called, each speaker has up to 1 minute at the discretion of the Commission President.
- A bell will ring when time has expired.
- **Written comments on a specific proceeding can be submitted via the CPUC's docket card. Please visit www.cpuc.ca.gov/docket, input the proceeding number, then click on the public comment tab. You can also visit the Public Advisor's Office webpage at www.cpuc.ca.gov/pao for further information.**

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, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29 and 30.
- 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 33** 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.
- **No Item** has been withdrawn.
- The following items have been held to future Commission Meetings:
 - **Held to 8/25/22: 2**

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 Virtual Escutia Table.

Regular Agenda | Energy Orders

Item #31 [20719] – Affordability of Utility Service

R.18-07-006

Order Instituting Rulemaking to Establish a Framework and Processes for Assessing the Affordability of Utility Service.

Quasi-Legislative

Comr. Houck - Judge Watts-Zagha

PROPOSED OUTCOME:

- Directs implementation of the affordability framework in each energy and water proceeding when the proposed revenue increase exceeds 1 percent of current revenues, and in the next-to-be-filed Investor-Owned Utility General Rate Case Phase 2.
- Recommends implementation of the affordability framework in Rulemakings regarding 1) Broadband Infrastructure Deployment, and 2) California Advanced Services Fund.
- Requires quarterly submission to industry divisions of water and gas Cost and Rate Trackers, and quarterly filings by electric, gas and Class A water utilities of itemized lists of recently approved and pending revenue requests, with a cumulative total.
- Aligns the affordability metrics with the most recent version of the California Environmental Protection Agency's designation of disadvantaged communities.
- Adopts the most recent version of CalEnviroScreen as the third affordability metric.
- Adopts an additional definition of vulnerable community: Area of Affordability Concern, capturing communities with grave affordability concerns in California.
- Establishes a two-year evaluation period of implementation of the affordability framework incorporating comments on the use and interpretation of the metrics in individual proceedings and in the annual Affordability Reports.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no estimated costs associated with this decision.

Affordability Proceeding: Phase 2 Proposed Decision


CPUC Voting Meeting

August 4, 2022

Affordability Proceeding Goals

- Phase 1: Develop standardized measures of utility affordability
- Phase 2: Establish framework for calculating and introducing metrics in relevant proceedings

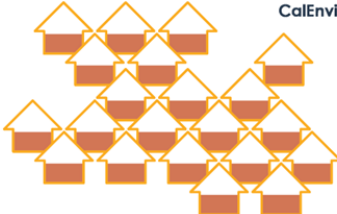
Hours at Minimum Wage (HM)



hours of earned employment at the local minimum wage needed to pay for essential services.

= **HM** where low-income households will have the most difficulty paying for essential services, regardless of the socioeconomic condition of the neighbors.

CalEnviroScreen (CES)



relative standing of community (census tract) based on:

- population characteristics
- pollution burden

= **CES** identifies communities least able to afford increases in charges for essential services

Affordability Ratio (AR)

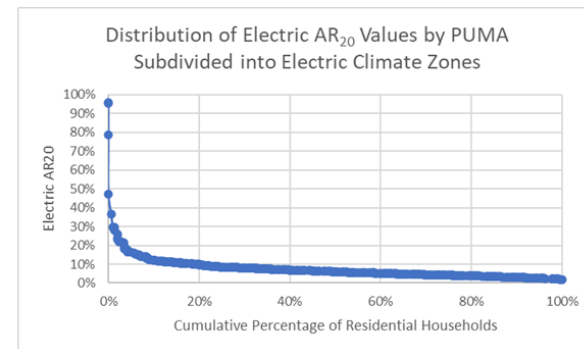
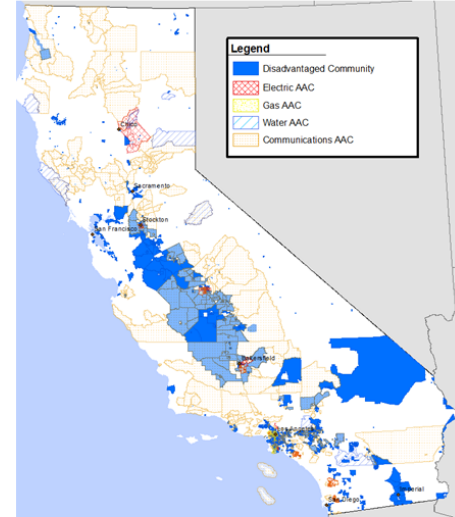
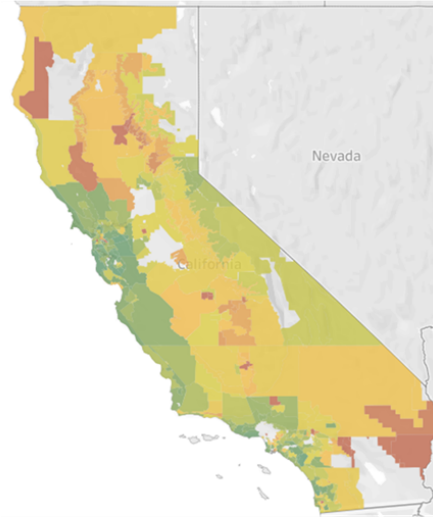


$$\frac{\$ \text{ essential services bill}}{\$ \text{ household income} - \text{non-discretionary expenses (housing and other utilities)}} = \text{AR}$$

where utility services are least affordable for households at a particular point of the income distribution (e.g., AR₂₀ is households at the lowest 20th percentile of income)

Overview of Phase 2 Proposed Decision

- Requires metrics in energy and water applications that increase revenue requirement by more than 1%
- Requires energy and water utilities to provide transparency into cumulative impact multiple rate changes
- Recommends implementation of affordability framework in communications proceedings
- Refines the affordability metrics adopted in Phase 1 (D.20-07-032)
- Establishes a two-year evaluation period



Questions?

Regular Agenda | Energy Orders

Item #31 [20719] – Affordability of Utility Service

R.18-07-006

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Quasi-Legislative

Comr. Houck - Judge Watts-Zagha

PROPOSED OUTCOME:

- Directs implementation of the affordability framework in each energy and water proceeding when the proposed revenue increase exceeds 1 percent of current revenues, and in the next-to-be-filed Investor-Owned Utility General Rate Case Phase 2.
- Recommends implementation of the affordability framework in Rulemakings regarding 1) Broadband Infrastructure Deployment, and 2) California Advanced Services Fund.
- Requires quarterly submission to industry divisions of water and gas Cost and Rate Trackers, and quarterly filings by electric, gas and Class A water utilities of itemized lists of recently approved and pending revenue requests, with a cumulative total.
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- Adopts the most recent version of CalEnviroScreen as the third affordability metric.
- Adopts an additional definition of vulnerable community: Area of Affordability Concern, capturing communities with grave affordability concerns in California.
- Establishes a two-year evaluation period of implementation of the affordability framework incorporating comments on the use and interpretation of the metrics in individual proceedings and in the annual Affordability Reports.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- There are no estimated costs associated with this decision.

Regular Agenda | Energy Orders (continued)

Item #32 [20777] – Plug-in Electric Vehicle Submetering Protocol and Electric Vehicle Supply Equipment Communication Protocols

R.18-12-006

Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification.

Quasi-Legislative

Comr. Rechtschaffen - Judge Korpics

PROPOSED OUTCOME:

- Adopts a plug-in electric vehicle submetering protocol for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), Liberty Utilities (CalPeco Electric) LLC, Bear Valley Electric Service Inc., and PacifiCorp d/b/a Pacific Power and requires the utilities to implement the submetering protocol for all customers with plug-in electric vehicles and customer-owned submeters.
- Adopts electric vehicle supply equipment communication protocols for PG&E, SCE, SDG&E, Liberty Utilities (CalPeco Electric) LLC, Bear Valley Electric Service Inc., and PacifiCorp d/b/a Pacific Power and requires the utilities to qualify electric vehicle supply equipment that meets the minimum performance standards for all future transportation electrification efforts.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this decision.

ESTIMATED COST:

- Utilities will incur unknown costs from staff time spent reviewing submetering applications.
- Utilities will incur unknown costs to upgrade their billing systems to incorporate plugin electric vehicle submetering.

Management Reports



Item #35 [20806]

Management Report on Administrative Activities

CPUC Employee Recognition

1st Quarter 2022

Rachel Peterson
Executive Director

August 4, 2022



California Public
Utilities Commission



CPUC Mission Statement

To empower California through access to safe, clean, and affordable utility services and infrastructure.

CPUC Core Values

The CPUC asks our employees to adhere to the standards of:



Accountability



Excellence



Integrity



**Open
Communication**



Stewardship

CPUC Employee Recognition Program

- Once per quarter, we request nominations from all CPUC employees – teams and individuals – of colleagues who merit recognition.
- We also request new volunteers each quarter to read the nominations and reach consensus on the awardees.

CATEGORIES:

Building Morale

Customer Service

Quality Improvement

Core Values

Leadership

Innovation

Outstanding Achievement

CPUC Employee Recognition

January - March 2022

CUSTOMER SERVICE

Transactions Unit

Debbie Van Haaster

Carina Dumantay

Barbara Weeks

Patrick Khuu

Nancy Fong

Lourdes Fadrilan

Maria "Elena" Marcaida

Arlene Fernandez-Rojo

Sylvia Soldavini

Sheryl Rocha

CPUC Employee Excellence

COLLABORATION

Administrative Law Judge Division

Maria Nunez

Jennifer Perez

David Binns

Michael Oliveros

ALJ Sophia Park

Human Resources Division - Employee Health and Safety

Kasha Thompson

Martha Lopez

Tawnya Alibani

Grace Li

Edgar Martinez Jr.

CPUC Employee Excellence

CORE VALUES

Legal Division

Guillermo Elizondo

CPUC Employee Excellence

BUILDS MORALE

Energy Division

Tory Francisco

CPUC Employee Excellence

LEADERSHIP

Commissioner Shiroma's Office

Leuwam Tesfai

Human Resources Division

Jackie Lau

Item #35 [20806]

Management Report on Administrative Activities

Item #36 [20824] – New Appointments to the Disadvantaged Communities Advisory Group

Disadvantaged Communities Advisory Group (DACAG) Candidate

Julia Mary Popolizio Hatton

- President & CEO of Rising Sun Center for Opportunity
- Engaged in community development
- Member of:
 - Equity Subcommittee of CA Sustainable Energy Entrepreneur Development
 - CEC Equity & Environmental Social Justice Roundtable
 - CA Green New Deal Coalition
 - Community Advisory Group at Lawrence Berkeley National Lab

Regular Agenda | Management Reports and Resolutions

Item #36 [20824] – New Appointments to the Disadvantaged Communities Advisory Group

Management Reports



Commissioner's Reports



Commissioner
Genevieve Shiroma



Commissioner
Clifford Rechtschaffen



President
Alice Busching Reynolds



Commissioner
John Reynolds



Commissioner
Darcie L. Houck

The CPUC thanks you for participating in today's meeting

The next Public Meeting will be:

August 25, 2022

11:00 a.m.

Remote





California Public Utilities Commission

cpuc.ca.gov