



CPUC Public Agenda 3395
Thursday, April 6, 2017 9:30 a.m.
Santa Rosa, 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.”





Welcome Remarks by Santa Rosa Mayor Chris Coursey





Emergency Evacuation

Safety is our number one priority:

Please listen to the emergency evacuation instructions for this 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:

- **33, 34, 35.**
- 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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Regular Agenda – Management Reports and Resolutions

Item # 37 [15573]

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





Safety & Enforcement Division



**Sonoma-Marín Area Rail Transit (SMART)
Overview of the Project and Safety Assurance Work
April 6, 2017**





Sonoma-Marín Area Rail Transit (SMART) is a passenger rail service and bicycle-pedestrian pathway project currently under construction

- Will serve a 70-mile (110 km) corridor between Cloverdale in northern Sonoma County and Larkspur Landing in Marin County
- Established by legislation in 2002
- The capital cost estimated at \$500 million
- Will be operating over the rebuilt Northwestern Pacific Railroad right of way
- Positive Train Control system is being implemented for the length of the passenger corridor for customer and pedestrian safety





- First segment to go into service is from San Rafael to Santa Rosa
- It is 43 miles long
- Includes 63 at-grade crossings
- Cost of the project is about \$428 million
- Scheduled to begin revenue service in late spring





SMART Falls Under the Oversight of the CPUC and the Federal Railroad Administration (FRA) as a Commuter Rail Operation



- The SMART Board of Directors, on July 15, 2009, selected the Nippon Sharyo diesel-electric multiple units (DMU) in sets of two per train.
- Due to this size and weight of this type of DMU, SMART falls under the oversight of Federal Railroad Administration (FRA) as a commuter rail operation.
- SED has been meeting with SMART on a regular basis, which includes participation in bi-annual meetings, crossings and diagnostics meetings, meetings with local municipalities pertaining to the requests to establish a Quiet Zone and many others.
- SED has performed numerous inspections, including inspections of crossings, track, Signal and Train Control, Railroad Equipment (DMUs) and the maintenance yard.





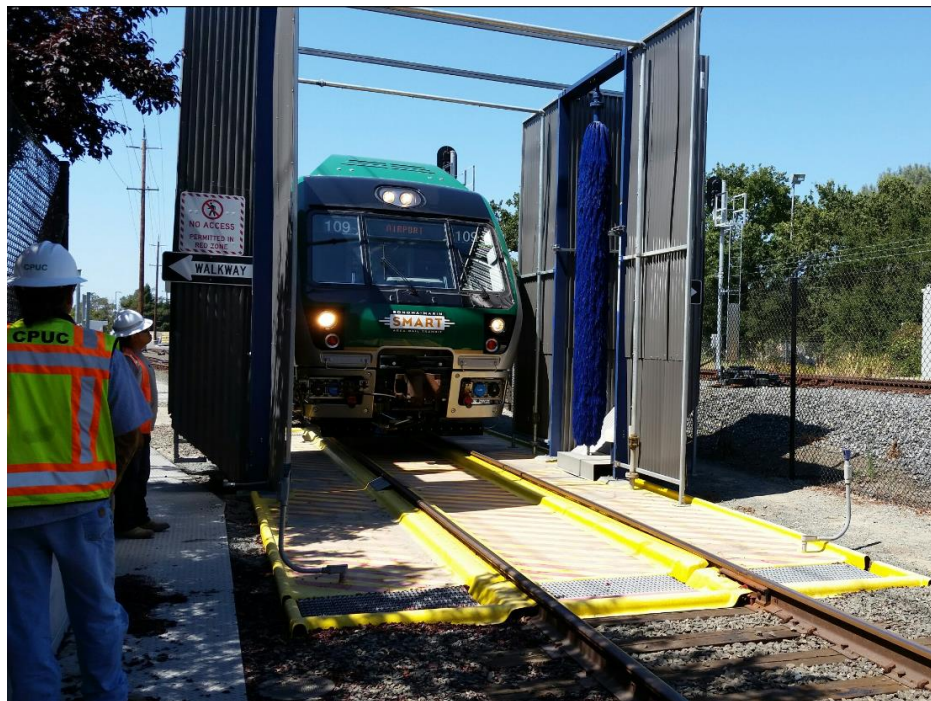
SED Work: Rail Crossings Engineering Branch Review of New and Old Crossings

- CPUC Received 4 Formal Applications and 1 Complaint.
- 2 Rail crossing applications are pending.
- SED received and approved 57 GO 88-B Applications for crossing upgrade and re-design.
- 2 88-C Applications are being reviewed.
- All crossings





SMART Maintenance Facility – Two Outstanding Non-Compliance Issues in Front of the Commission in A.16-09-007



(1) Wash rack clearance issue. GO 26-D section 9.2. requires clearance of 30 inches from widest car operated.

(2) Fueling reel (box) clearance issue. GO 26-D section 9.2. requires clearance of 30 inches from widest car operated.





Gearing up for Revenue Service: SMART Official Timeline Targets Late Spring 2017



- Final approval to being revenue service is handled through FRA – no Commission vote or staff action required
- SMART can not operate revenue service in and out of Santa Rosa facility until the clearance issues have been resolved
- Remaining issues on crossings must be addressed before revenue service
- SED will conduct an inspection of the opening segment on April 20, 2017





Regular Agenda – Management Reports and Resolutions

Item # 37 [15573]

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





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, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26.**
- 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 30** 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 15** has been moved to the Regular Agenda.
- **Items 2, and 5** have been withdrawn.
- The following items have been held to future Commission Meetings:
 - Held to **4/27/17**: **3, 16, 27.**
 - Held to **5/11/17**: **28, 28a.**





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 – Intervenor Compensation Orders

Item # 15 [15520] – Denies Compensation to the Greenlining Institute

A14-11-007, A14-11-009, A14-11-010, A14-11-011 - Related matters.

Application of Southern California Edison Company for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.

Consolidated applications include San Diego Gas & Electric Company, Pacific Gas and Electric Company, and Southern California Gas Company.

Ratesetting

Comr Rechtschaffen - Judge Colbert

PROPOSED OUTCOME :

- Denies Compensation to the Greenlining Institute. Greenlining Institute's Request for Compensation was filed late. Greenlining Institute requested \$66,298.00.

SAFETY CONSIDERATIONS :

- There are no safety considerations implicated with this decision.

ESTIMATED COST :

- \$0.00.





Regular Agenda – Energy Orders

Item # 27 [15541] – Track 2 Energy Storage Issues

R15-03-011

Order Instituting Rulemaking to consider policy and implementation refinements to the Energy Storage Procurement Framework and Design Program (D.13-10-040, D.14-10-045) and related Action Plan of the California Energy Storage Roadmap.

Quasi-Legislative

Comr Peterman - Judge Cooke

PROPOSED OUTCOME :

- Resolves all remaining issues for Track 2 of the Energy Storage Rulemaking except Multiple Use Applications.
- Does not expand utility energy storage targets, but sets forth a process for implementing Assembly Bill 2868 which requires utility procurement of an additional 500 megawatts of specific energy storage resources.
- Affirms the one percent Energy Service Provider/Community Choice Aggregator energy storage procurement target, but establishes a limiter on that obligation to ensure parity with utility energy storage procurement obligations.
- Declines to modify prior decisions on eligibility of certain resources types to count towards utility energy storage procurement targets.
- Adopts rules regarding the treatment of station power used to charge energy storage devices.
- This proceeding remains open to address issues surrounding Multiple Use Application.

SAFETY CONSIDERATIONS :

- Determines that Safety and Enforcement Division should move forward with their utility-owned energy storage inspection checklist and that no General Order is Required to utilize the checklist.

ESTIMATED COST :

- No direct costs as a result of decision, however, there will be ratepayer costs as a result of implementation of Assembly Bill 2868 which requires procurement of 500 megawatts of distributed energy storage resources at an unknown costs.





Regular Agenda – Energy Orders

Item # 29 [15563] – Self Generation Incentive Program and Petition for Modification of Decision 16-06-055

R12-11-005

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for the California Solar Initiative, the Self-Generation Incentive Program and Other Distributed Generation Issues.

Quasi-Legislative

Comr Rechtschaffen - Judge DeAngelis

PROPOSED OUTCOME :

- Increases the budget for the Self-Generation Incentive Program (SGIP) per Assembly Bill (AB) 1637.
- Beginning in 2017, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall collect on an annual basis through 2019, double the amount collected in calendar year 2008, for SGIP.
- Allocates the additional funding authorized by AB 1637 to the energy storage category (85%) and renewable projects in generation category (15%).
- AB 1637 funds are apportioned to incentive steps.

SAFETY CONSIDERATIONS :

- No safety considerations are associated with this decision.

ESTIMATED COST :

- \$249 million.





Regular Agenda – Energy Resolutions and Written Reports

Item # 31 [15607] – Approves Pacific Gas and Electric Company’s Requests of a Power Purchase Agreement and a Price Extension Amendment with Wheelabrator Shasta Energy Company Inc.

Res E-4834, Advice Letter 4984-E filed December 20, 2016 - Related matters.

PROPOSED OUTCOME :

- Approves cost recovery for the Power Purchase Agreement (PPA) and the price extension amendment between Pacific Gas and Electric Company and Wheelabrator Shasta. The PPA and Amendment are approved without modification.

SAFETY CONSIDERATIONS :

- This Resolution implements biomass provisions of Senate Bill 859 and the Governor’s Emergency Proclamation to address public safety and property from falling trees and wildfire .
- Renewable Auction Mechanism standard contracts contain Commission approved safety provisions. There are not expected incremental safety implications associated with approval of this Resolution.

ESTIMATED COST :

- Actual costs of the power purchase agreement and the price extension amendment are confidential at this time.



Item 31: Resolution E-4824: PG&E Wheelabrator Biomass Project

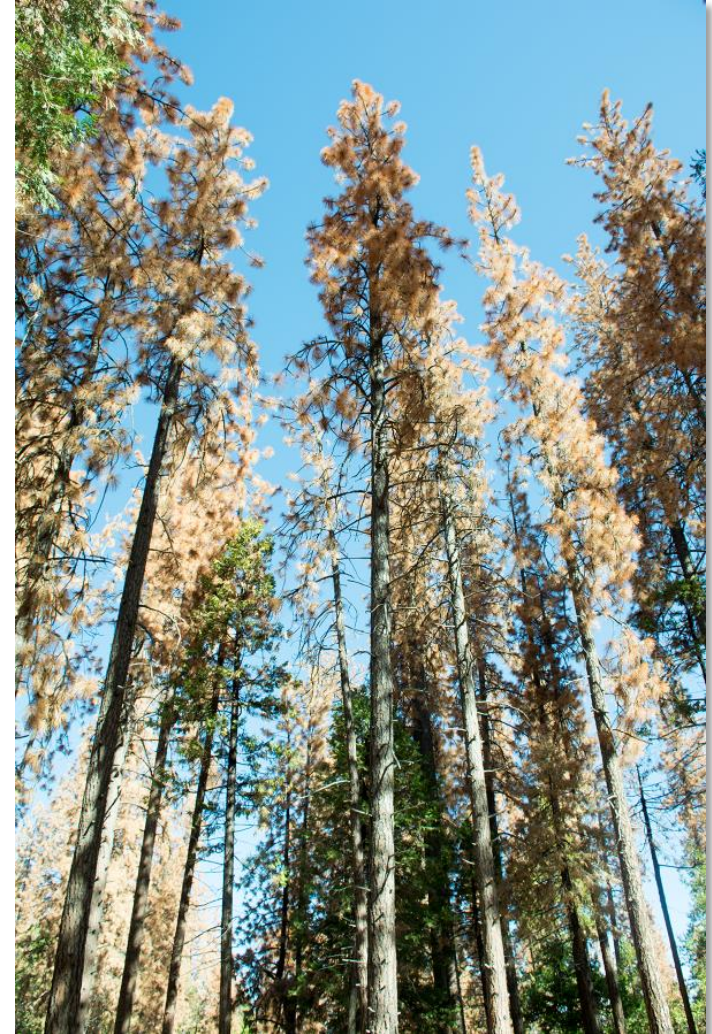
Approves PG&E's requests of a power purchase agreement (PPA) and a price extension amendment with Wheelabrator Shasta Energy Company Inc.

April 6, 2017



Resolution E-4824: PG&E Wheelabrator Biomass Project

- **This Resolution:** Approves PG&E PPA in response to Tree Mortality Emergency Order (Advice Letter 4958-E)
 - **Power Purchase Agreement (PPA):** 34 MW (238 GWh / year)
 - **Price Extension Amendment (Dec 1, 2016 – May 31, 2017):** Allowed Wheelabrator Shasta facility to operate through winter months as part of its existing 30-year QF PPA, set to expire April 2018
 - **Contract Start Date:** December 1, 2017 for 5 years
- **Fuel Terms:** 60% from High Hazard Zones (HHZs); 80% from Sustainable Forest Management
- **Bilateral Contract:** PG&E chose this process to meet short turnaround deadline
- **Total Costs:** Confidential at this time



Courtesy: www.treetaskforce.org



Back-up Slides



Tree Mortality Procurement History

Background: Governor's October 2015 Tree Mortality Emergency Proclamation ordered strategies to mitigate potential wildfires, including CPUC actions to order IOUs to procure biofuel from dead / dying trees in HHZs:

- **Resolution E-4770 (BioRAM 1):** Implemented the Governor's Proclamation, requiring procurement of at least 20 MW to PG&E:
 - CPUC approved PG&E's AL 4958-E for 29 MW
- **Resolution E-4805 (BioRAM 2):** Implemented SB 859, and directed PG&E to procure an additional 43 MW:
 - PG&E was able to use any combination of BioRAM 1, BioRAM 2, or a Bilateral Contracting process
 - Over-procurement in BioRAM 1 will count toward total assigned targets

Summary of PG&E Compliance

CPUC Order	CPUC-required PG&E MW Portion	PG&E Procured MW
E-4770	20	29
E-4805	43	34
TOTAL	63	63

Overview of Projects Across BioRAM 1 & BioRAM 2

Summary of CPUC Approved Tree Emergency Biomass Projects by IOU (5 Year Terms)

IOU	FACILITY	LOCATION	MW	Contract Start Date
PG&E	Burney	Burney	29	2/9/2018
SDG&E	Honey Lake Power Co. / Greenleaf	Lassen	24	1/1/2017
SCE	Rio Bravo Fresno	Fresno	24	1/2/2017
SCE	Rio Bravo Rocklin	Lincoln	24	1/2/2017
SCE	Ultrapower Chinese Station	Jamestown	18	3/2/2017

Final Biomass PPA Still to be Approved

PG&E	Wheelabrator Shasta	Anderson	34	12/1/2017
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Regular Agenda – Energy Resolutions and Written Reports

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Res E-4834, Advice Letter 4984-E filed December 20, 2016 - Related matters.

PROPOSED OUTCOME :

- Approves cost recovery for the Power Purchase Agreement (PPA) and the price extension amendment between Pacific Gas and Electric Company and Wheelabrator Shasta. The PPA and Amendment are approved without modification.

SAFETY CONSIDERATIONS :

- This Resolution implements biomass provisions of Senate Bill 859 and the Governor’s Emergency Proclamation to address public safety and property from falling trees and wildfire .
- Renewable Auction Mechanism standard contracts contain Commission approved safety provisions. There are not expected incremental safety implications associated with approval of this Resolution.

ESTIMATED COST :

- Actual costs of the power purchase agreement and the price extension amendment are confidential at this time.





Regular Agenda – Communication Resolutions and Reports

Item # 32 [15564] – Approval of Funding for the Rural and Regional Consortia Grant Application of the Southern Border Broadband Consortium in the amount of \$450,000

Res T-17561

PROPOSED OUTCOME :

- Grants funding in the amount of \$450,000 from the California Advanced Service Fund-Consortia Account of the application of the Southern Border Broadband Consortium.

SAFETY CONSIDERATIONS :

- By furthering broadband deployment, access and adoption, these projects are expected to enhance public safety in the San Diego and Imperial counties in the event of fire, flooding, and earthquakes.

ESTIMATED COST :

- \$450,000.





Southern Border Broadband Consortium California Advanced Services Fund



Mike Amato
Acting Director, Communications Division
April 6, 2017
Agenda Item #32 (T-17561)



Southern Border Broadband Consortium (SBBC)

- Represents San Diego and Imperial counties.
- Members have direct experience with broadband deployment and adoption efforts.
- Requests \$450,000 for a three-year program to further broadband deployment, access and adoption.
- Communications Division evaluated the proposal with respect to the criteria defined in D.11-06-038.





SBBC proposes to:

- Collect and publish data for unserved and underserved areas in its region.
- Promote broadband deployment and availability for residences and businesses.
- Assist existing programs to eliminate the “homework gap” and work with organizations to provide computers to children in foster care and senior citizens.
- Work to address two high impact areas identified by the Communications Division.





Regular Agenda – Communication Resolutions and Reports

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SAFETY CONSIDERATIONS :

- By furthering broadband deployment, access and adoption, these projects are expected to enhance public safety in the San Diego and Imperial counties in the event of fire, flooding, and earthquakes.

ESTIMATED COST :

- \$450,000.





Regular Agenda – Orders Extending Statutory Deadline

Item # 33 [15596] – Order Extending Statutory Deadline

(ECP) C16-04-007

Rodney Grebe vs. Pacific Gas and Electric Company.

Comr Guzman Aceves - Judge Bemederfer

PROPOSED OUTCOME :

- Extends the statutory deadline for completion of this proceeding until October 8, 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 # 34 [15597] – Order Extending Statutory Deadline

C10-10-010

Michael Hetherington and Janet Hetherington vs. Pacific Gas and Electric Company.

Adjudicatory

Comr Guzman Aceves - Judge Roscow

PROPOSED OUTCOME :

- Extends the statutory deadline for completion of this proceeding until October 13, 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 # 35 [15598] – Order Extending Statutory Deadline

C16-04-009

BB's Deli LLC vs. San Diego Gas & Electric Company.

Adjudicatory

Comr Guzman Aceves - Judge Miles

PROPOSED OUTCOME :

- Extends the statutory deadline for completion of this proceeding until October 12, 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 # 36 [15609] – Order Extending Statutory Deadline

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

PROPOSED OUTCOME :

- Extends statutory deadline to June 25, 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.





Commissioners' Reports





Management Reports





The CPUC Thanks You For Attending Today's Meeting

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

**April 27, 2017 at 9:30 a.m.
in San Francisco, CA**

