

CPUC Public Agenda 3481

Thursday, March 18, 2021 10:00 a.m.

Remotely



Commissioners:
Marybel Batjer, President
Martha Guzman Aceves
Clifford Rechtschaffen
Genevieve Shiroma
Darcie L. Houck



California Public
Utilities Commission

www.cpuc.ca.gov

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
- 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 bell will ring when time has expired.

Public Comment is not permitted on the following items:

- All items on the Closed Session Agenda
- 38 and 39



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- **Item 1** has been withdrawn.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

Held to 4/15/21: 2, 7, 35, and 37.



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 – Orders and Resolutions

Item #3 [19170] – Pacific Gas and Electric Company Community Microgrids Enablement Program

Res E-5127, Advice Letter 5918-E, filed August 17, 2020 - Related matters.

PROPOSED OUTCOME:

- Adopts with modification the Pacific Gas and Electric Company (PG&E) implementation plan for the PG&E Community Microgrid Enablement Program.

SAFETY CONSIDERATIONS:

- Enhances public safety and worker safety. Promotes public health and welfare in preparation for wildfire and potential grid outages. PG&E would provide enhanced technical support and project management to assist communities with community driven resilience projects for critical facilities and vulnerable customers (e.g. community scale microgrids). Program criteria are set to prioritize resources to projects most urgent for public health, safety and public interest.

ESTIMATED COST:

- This Resolution is expected to approve the implementation plan detailing eligibility criteria for the \$27 million capital expenditure matching funds, for offsetting certain electric distribution infrastructure upgrades that are normally the responsibility of the customer. D.20-06-017 requires the \$27 million capital expenditures to be tracked in the Microgrid Memorandum Account subject to reasonableness review during a General Rate Case or via separate Application.

PG&E Community Microgrid Enablement Program

Agenda Item # 3 – Draft Resolution E-5127

CPUC Energy Division

March 18, 2021



California Public
Utilities Commission

Background and Overview

PG&E seeks authority to implement its Community Microgrid Enablement Program

- Authorized by Ordering Paragraph 17 of D.20-06-017.
- First-of-its-kind, two-year exploratory program that facilitates the development of community-scale, in-front-the-meter microgrids.
- Features proactive enhanced technical consulting for disadvantaged and vulnerable communities.
- Provides funding to offset distribution system upgrades needed to support islanding.
- Sets aside funding specifically for disadvantaged and vulnerable communities.

Technical Consulting Services

PG&E's CMEP features prioritized proactive outreach to disadvantaged and vulnerable communities.

- These communities may not have resources to explore resiliency solutions.
- Early collaboration with community leaders and CBOs supplemented by PG&E's grid knowledge may result in pinpointing favorable locations for community microgrids.
- Technical Support will progress through 3 stages:
 1. Vetting
 2. Solution Assessment
 3. Solution Execution
- This facilitated approach verifies project feasibility and supports the community to accomplish the prerequisites for the project cost offset:
 - Community Microgrid Enablement Tariff Application
 - Letter of Support from local government, tribal government or community choice aggregator
 - Microgrid Islanding Study
 - Special Facilities Agreement and other agreements, as applicable.
- Satisfactory completion will result in reserving the project cost offset.

Community Microgrid Eligibility Criteria

1

Location:

At least one customer served by the microgrid must be located either in

- Tier 2 or Tier 3 High Fire Threat District; or
- area impacted by a past PSPS event, or
- area prone to outages.

2

Customers Served:

Project meets needs of

- at least one Critical Facility, and
- at least one additional customer within the electrical boundary of the microgrid.

3

Parameters:

Project includes energy generating resources that do not exceed 20 MW

- Act as a single, controllable entity
- Can connect to, disconnect from, and run in parallel with larger portions of the electrical grid;
- Maintain electrical supply & service quality when islanded

Project Prioritization Criteria

1

Disadvantaged Communities

Defined by the CalEnviroScreen

- top 25% scoring census tracts, plus
- top 5% pollution burden communities

2

Tribal Lands

3

Zip Codes with >50% residents enrolled in CARE

California Alternative Rates for Energy

4

Zip Codes identified as Rural

Zip Codes based on applying the Goldsmith Modification

Allocation of Cost Offsets

PG&E may modify its proposal to increase the capital investment funding set-aside for disadvantaged and vulnerable communities in response to demand.

- Commission instructs PG&E to track demand during calendar year 2021
- As communities respond to the program and cost offsets are committed, PG&E shall transmit a Tier 1 Advice Letter to modify the cost offset allocation to 50% for calendar year 2022.
- Potential Result:
 - Increases set-aside from one third to one half
 - Expands from \$9 million (2021) to \$13.5 million (2022)

Questions?



For more information:
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California Public Utilities Commission

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<https://www.cpuc.ca.gov/resiliencyandmicrogrids/>

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Regular Agenda – Orders and Resolutions (continued)

Item #20 [19243] – Order Instituting Rulemaking on the Commission's Own Motion to Amend General Order 156 Consistent with Senate Bill 255 and Other Related Matters R._____

Order Instituting Rulemaking to Revise General Order 156 to Include Certain Electric Service Providers and Community Choice Aggregators and Encourage Voluntary Participation by Other Non-Utility Entities Pursuant to Assembly Bill 255; Consider LGBT Business Enterprise Voluntary Target Procurement Percentage Goals; Incorporate Disabled Business Enterprises; Modify the Required Reports and Audits; and Update Other Related Matters.

Quasi-Legislative

PROPOSED OUTCOME:

- Proposes to amend the Commission's General Order 156 (Supplier Diversity Program) consistent with Assembly Bill 255 (Bradford, Stat. 2019, Ch. 407) to include certain electric service providers and community choice aggregators, encourage voluntary compliance by other non-utility entities, and consider other matters therein.
- Considers incorporating into General Order 156 a LGBT business enterprise percentage target goal and business enterprises owned and controlled by disabled persons.
- Addresses revisions to the General Order 156 requirement for annual reports and audits.
- Considers other related matters.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Instituting Rulemaking.

ESTIMATED COST:

- There are no costs associated with this Order Instituting Rulemaking.

The Commission's *Supplier Diversity Program* General Order 156

Proposed Order Instituting Rulemaking

March 18, 2021 Agenda – Item 20



California Public
Utilities Commission

Supplier Diversity Program - Background

- The Public Utilities Code §§ 8281-8286 declare the economic well-being of the state of California “cannot be realized unless the actual and potential capacity of women, minority, disabled veteran, and lesbian/gay/bisexual/transgender business enterprises is encouraged and developed.”
- For more than 30 years, the CPUC’s Utility Supplier Diversity Program under General Order 156 promotes procurement from diverse businesses led by women, ethnic minorities, disabled veterans, and lesbian/gay/bisexual/transgender people.
- Today, participating utilities include electric, natural gas, water, and telecommunication service providers with gross annual revenues exceeding \$25 million. Some non-utility businesses that typically conduct business with utilities also participate.
- Program Goal: 21.5% of procurement from diverse businesses (women-owned 5%, minority owned 15%, disabled veteran-owned 1.5%);
- Over the last five years, total \$ diverse procurement grew by 43% an annual rate of 8 %.
- In 2019, 2,769 program participants provided utilities \$12.7 billion in goods and services, representing over 33% of their total procurement.

Proposed Rulemaking to Expand and Refine the Supplier Diversity Program

- **Implements Senate Bill 255 (Bradford, Stat. 2019, Ch. 407):**
 - Includes two non-utility energy providers in the program: community choice aggregators (CCAs) and electric service providers. (ESPs)
 - Encourages participation by non-regulated entities that regularly conduct business with utilities, including wholesale electric generators, distributed energy resource providers, and energy storage system companies.
 - Changes program participation threshold from \$25 million *gross* revenue to \$25 million *California* gross revenue.
 - Directs smaller utilities and ESPs with gross annual California revenues above \$15 million but less than \$25 million to provide data to the CPUC.
- **Proposes a procurement percentage goal for LGBT-owned business enterprises of 0.5% (increasing the total goal to 22%).**
- **Proposes including business enterprises owned and controlled by disabled persons.**
- **Proposes several program refinements, including:**
 - Clarify term “-owned business enterprises” in General Order 156.
 - Add content to the utility annual reports.
 - Modify the time intervals for CPUC audits of the utilities’ programs.
 - Clarify the definition of General Order 156 complaint and the annual CPUC En Banc process.

Rulemaking Activities and Next Steps:

- Comments due 20 days after OIR “issuance date”
- Prehearing conference and scoping memo
- Staff proposal and workshop
- Proposed decision in Q3 2021

2021 Supplier Diversity En Banc – October 14, 2021

Questions?





California Public Utilities Commission

Stephanie Green

stephanie.green@cpuc.ca.gov

Regular Agenda – Orders and Resolutions (continued)

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- Considers incorporating into General Order 156 a LGBT business enterprise percentage target goal and business enterprises owned and controlled by disabled persons.
- Addresses revisions to the General Order 156 requirement for annual reports and audits.
- Considers other related matters.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this Order Instituting Rulemaking.

ESTIMATED COST:

- There are no costs associated with this Order Instituting Rulemaking.

Regular Agenda – Communication Orders

Item #36 [19017] – Corporate Restructuring of Frontier Communications Corporation and its Five California Subsidiaries

A.20-05-010

Application of Frontier Communications Corporation, Frontier California Inc. Citizens Telecommunications Company of California Inc. Frontier Communications of the Southwest Inc. Frontier Communications Online and Long-Distance Inc. Frontier Communications of America, Inc. for Determination that Corporate Restructuring is Exempt from or Compliant with Public Utilities Code Section 854.

Ratesetting

Comr. Guzman Aceves - Judge Wercinski

PROPOSED OUTCOME:

- Approves corporate restructuring of Frontier Communications Corporation and its five California subsidiaries (collectively Frontier) with conditions.
- Adopts three settlement agreements between Frontier and (1) Public Advocates Office, The Utility Reform Network, and Communication Workers of America, (2) California Emerging Technology Fund, and (3) Yurok Tribe.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- Safety, including effect on 911 service, was considered and determination was made that no additional Commission action was needed.

ESTIMATED COST:

- Various costs by Frontier to implement capital expenditure, broadband deployment, service quality, and reporting requirements.

Regular Agenda – Orders Extending Statutory Deadline

Item #38 [19218] – Order Extending Statutory Deadline

C.20-04-007

Foley Investments, LP. d/b/a Santanna Apartments vs. Alisal Water Corporation d/b/a Alco Water Service.

Ratesetting

Comr. Guzman Aceves - Judge Jungreis

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until April 1, 2022.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #39 [19219] – Order Extending Statutory Deadline

I.19-12-009

Order Instituting Investigation on the Commission's Own Motion into the Operations, Practices, and Conduct of Frontier Communications Corporation, Frontier of America, Inc., and Frontier California, Inc., to Determine Whether Frontier Violated the Laws, Rules, and Regulations of this State through Service Outages and Interruptions and Disclosing and Publishing Customer Addresses.

Adjudicatory

Comr. Batjer - Judge Zhang

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until September 20, 2021.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated 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 #40 [19228] – Order Extending Statutory Deadline

R.17-05-010

Order Instituting Rulemaking to Consider Revisions to Electric Rule 20 and Related Matters.

Quasi-Legislative

Comr. Batjer - Judge Wang

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until August 10, 2021.

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 #41 [19233] – Order Extending Statutory Deadline

R.19-10-005

Order Instituting Rulemaking on the Commission's Own Motion to consider renewal of the Electric Program Investment Charge Program.

Ratesetting

Comr. Guzman Aceves - Judge Glegola

PROPOSED OUTCOME:

- Extends Statutory Deadline for completion of this proceeding until October 10, 2021.

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.

Management Reports



California Public
Utilities Commission

Commissioners' Reports



California Public
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The CPUC Thanks You For Participating in Today's Meeting

The next Public Meeting will be:

March 25, 2021 at 10:00 a.m.

Remote

