

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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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.

R.13-12-011
(Filed December 30, 2013)

**REPLY COMMENTS OF THE UTILITY REFORM NETWORK IN RESPONSE TO
THE ASSIGNED COMMISSIONER'S RULING ENTERING WORKSHOP REPORTS
INTO THE RECORD AND SEEKING COMMENTS**



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REPLY COMMENTS OF THE UTILITY REFORM NETWORK IN RESPONSE TO THE ASSIGNED COMMISSIONER’S RULING ENTERING WORKSHOP REPORTS INTO THE RECORD AND SEEKING COMMENTS

I. Introduction

On October 5, 2016, Commissioner Sandoval issued the *Assigned Commissioner’s Ruling Entering Workshop Reports into the Record and Seeking Comments* (“ACR”). On October 10, 2016, the Administrative Law Judge issued an email Ruling Granting Extension of Time to File Comments in the Water-Energy Nexus Proceeding. Many parties filed opening comments on October 21, 2016.

TURN recognizes the importance of the issues raised in the Water-Energy-Communications track and appreciates the Assigned Commissioner’s efforts to address these issues. However, some of the “meta-themes” and issues raised in the ACR are very far afield from the original scope and purpose of the Rulemaking. TURN also notes that many of the issues raised in the ACR are highly technical and unfamiliar to TURN’s existing expert consultant and staff working on this proceeding. Accordingly, TURN is not able to provide specific recommendations or comments regarding many of the meta-themes.

Pursuant to the ACR and the Ruling Granting Extension of Time to File Comments, TURN offers the following reply comments in response to the opening comments of Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SCG), Consumer Federation of California (CFC) and the Association of California Water Agencies and California Municipal Utilities Association (ACWA-CMUA).

II. General Recommendations

A. The Commission should Consider Opening a New Proceeding to Consider the Communications Issues Raised in the Assigned Commissioner’s Ruling

The Ruling raised many important telecommunications issues and safety issues. ACWA-CMUA reiterated their prior recommendation that “the Commission include the communications aspect of the water-energy nexus in a separate proceeding.”¹ In making this

¹ ACWA-CMUA Opening Comments, p. 2.

recommendation, ACWA-CMUA stated this issue should “be incorporated in a future, separate action that can fully explore the challenges and opportunities associated with this topic,” TURN agrees with this recommendation. The ACR raised many important meta-themes and included a number of questions regarding each theme. Many of these meta-themes would be better addressed in a separate proceeding that is specifically focused on water-energy-communications issues. TURN also shares ACWA-CMUA’s concern that the “discussion and questions in some of the meta-themes could further expand the scope” of the proceeding.² TURN notes that some of the issues raised in the ACR are being addressed in other proceedings and encourages the Commission to consider how to coordinate with other proceedings regarding these overlapping issues.

B. The Commission should Prevent Cross Subsidies from Energy Ratepayers to Water Ratepayers

TURN appreciates the Commission’s efforts in this proceeding and commends the Commission for the many important issues that have been highlighted and addressed throughout this Rulemaking. TURN encourages the Commission to focus on the original goal of this proceeding of promoting investments in water conservation and energy efficiency through partnerships between water agencies and investor-owned utilities (IOUs). Consistent with TURN’s positions throughout this proceeding, TURN notes that many of the issues raised in the ACR could lead to cross-subsidies from energy ratepayers to water ratepayers. Any pilots or programs developed or approved in this proceeding must be structured to limit energy ratepayer cross-subsidies across industries. CFC also noted the potential for many of the proposals in the ACR to result in cross subsidization from one group of ratepayers to another.³ In order to prevent any cross subsidization, CFC correctly highlighted the importance of ensuring that costs for a programs or project be allocated among energy IOUs and water agencies in proportion to the benefits realized by such partnering entities.⁴

TURN also offers the following comments on specific meta-themes and questions outlined in the ruling.

² *Id.*

³ CFC Opening Comments, p. 3.

⁴ *Id.* at pp. 3-4.

III. Meta-Theme 3.3: Distributed Energy Resources Require Communications to Interconnect to the Grid

The first question listed for this meta-theme states, “(W)hat actions should the Commission take in this and/or other proceedings to encourage deployment of reliable communications that meet state and federal standards for distributed energy resources?” Regarding distributed energy resources (DERs), TURN recommends that the Commission focus on addressing these issues in the two proceedings specifically dedicated to the integration and implementation of DERs, the Distribution Resources Plan Proceeding (R.14-08-013) and the Integrated Distributed Energy Resources Proceeding (R.14-10-003). PG&E made a similar point in opening comments, “energy communications needs should be addressed in the Commission’s ongoing Distribution Resources Plan Proceeding (R.14-08-013).⁵

IV. Meta-Theme 3.7: Leak Detection

Leak detection and the prevention of water loss through leaks are very important state policies. ACWA-CMUA presented information regarding the existing requirements and new laws regarding leak detection that are currently being implemented by the Department of Water Resources (DWR) and the State Water Resources Control Board, as well as a new leak detection process recently initiated by the California Energy Commission.⁶ ACWA-CMUA also noted that DWR’s audit validation regulations are not yet complete. Accordingly, ACWA-CMUA recommend that the Commission wait until the regulations are completed and initial data has been submitted before arranging a meet and confer “between energy, water and communications utilities to advance appropriate technologies and enhanced communications to optimize water management and reduce leaks within the adopted regulatory structure”; TURN supports this recommendation.⁷

SoCalGas correctly noted that the Commission is already taking steps to promote the use of communications facilities and technologies to identify leaks and promote better water management through the Advanced Meter Infrastructure (AMI) piggybacking pilots approved in

⁵ PG&E Opening Comments, p. 5.

⁶ ACWA-CMUA, p. 6.

⁷ *Id.* at p. 7.

D.16-06-010.⁸ SoCalGas and the other IOUs are already implementing these pilot programs. The Commission should use the results of these pilots to determine if AMI piggybacking is an effective and economical endeavor to pursue on a greater scale.

V. Meta-Theme 3.8 Data Sharing

The protection of water and energy ratepayers’ private data is a very important issue to TURN. The Commission most recently established customer data privacy requirements for the IOUs in Decision 14-05-016, “Adopting Rules to Provide Access to Energy Usage and Usage Related Data while Protecting Privacy of Personal Data.” PG&E noted that D.14-05-016 already provides the protocols for “flexible energy usage data-sharing from energy utilities to water utilities.”⁹ TURN recommends that the data sharing requirements and protocols be applied to water utilities when sharing water usage data. In addition to data sharing requirements, the Commission should also consider data security issues, especially the increased risk of security threats resulting from data being transmitted between water utilities and IOUs.

VI. Conclusion

TURN appreciates the opportunity to provide these comments. TURN supports collaboration and coordination between water and energy efficiency entities to find ways to save water and energy simultaneously. TURN encourages the Commission to focus on this goal and cautions against extensively broadening the scope of this proceeding at this time.

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Respectfully submitted,

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⁸ SoCalGas Opening Comments, p. 2.

⁹ PG&E, p. 3.

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