ATTACHMENT B

COMMENTS INCORPORATED INTO RULEMAKING RECORD PREVIOUSLY PROVIDED TO THE COMMISSION IN THE SFI

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April 17, 2015

VIA E-MAIL

Ms. April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

Re: AT&T California's (U 1001 C) Reply Comments in Response to the Policy and Planning Division Staff's January 28, 2015 Solicitation for Input

Dear Ms. Mulqueen:

Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C) ("AT&T") provides these reply comments in response to the January 28, 2015 Solicitation for Input ("SFI") issued by the Commission's Policy and Planning Division staff ("Staff"). The SFI asks for comments on what revisions, if any, should be made to certain Commission rules and requirements and on Staff's proposals set forth in the SFI.

Utility Report [ARMIS Financial Reports]: In response to Staff's proposal to eliminate the requirement to file ARMIS Reports 43-01, 43-02, and 43-03 (the "ARMIS Financial Reports"), only The Utility Reform Network (TURN) and California Cable & Telecommunications Association (CCTA) raised concerns. TURN identified no specific need for any data contained in the reports but asks whether the ARMIS data should continue to be provided and if the reports should be provided regularly or upon request.[1] CCTA claims that one table from the suite of reports is needed to determine pole attachment rates, but CCTA does not indicate that the data have actually been used for that purpose.[2] These comments do not justify continuing these burdensome reports, and clearly, if only one table has been identified as even potentially useful, the remaining reports should be eliminated immediately.

[1] Comments of TURN on Policy & Planning Division's January 2015 Solicitation for Input, pp. 5-6 (Mar. 27, 2015).
[2] CCTA Response to Solicitation for Input, pp. 2-3 (Mar. 27, 2015).

CCTA recommends the Commission retain ARMIS 43-01, Table III "because this report collects all of the data essential for use in the CPUC's formula for determining the basis for pole and conduit costs,"[3] but clarifies that the data would only be needed "when the pole owner and the third party attacher cannot agree on a rate."[4] The Commission should not continue a reporting requirement because the data contained in it *might possibly* be needed in the future. If a disagreement over attachment rates arises, the parties or the Commission can request the relevant data needed to resolve the dispute. As no party has identified an ongoing need for the ARMIS reports, including the ARMIS 43-01, Table III, the standing obligation to submit the reports should be eliminated.

Sincerely,

Executive Director-Regulatory

[3] *Id.* at 2.
[4] *Id.* at 3.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Solicitation for Input on Certain Rules and Requirements For Public Utilities	NO Rulemaking (Filed January 28, 2015)

REPLY COMMENTS OF THE CONSUMER FEDERATION OF CALIFORNIA ON THE SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS FOR PUBLIC UTILITIES

Pursuant to the California Public Utilities Commission's ("Commission") Policy & Planning Division staff (staff) invitation, issued January 28, 2015, to comment on amending or repealing Commission regulations governing Regulated Utilities, the Consumer Federation of California ("CFC") respectfully submits its Reply Comments regarding the scope, rulemaking process, and procedural issues addressed in the Solicitation.

I. INTRODUCTION

The California Public Utilities Commission (Commission) Policy & Planning Division staff (staff) requested public comment through a Solicitation for Input (SFI) concerning certain rules and requirements applicable to public utilities in California that may be out of date due to changes in markets, technologies, state or federal law, and other causes, and may warrant revision or repeal. Commission sought comment in order to help inform the nature and scope of any future proceedings that the Commission may institute in order to update the rules and requirements applicable to entities under the Commission's jurisdiction. All interested entities and persons were invited to submit comments in response to the specific issues and questions enumerated in the SFI.[1] The Entities responded with comments filed on March 27, 2015. CFC replies to those comments here.

II. COMMENTS ON RULES AND THE IMPORTANCE OF TRANSPARANCY

CFC is not taking this opportunity to rebut each rule change suggested in comments filed. There may well be changes needed but this is not the time or proper forum for that discussion. It is necessary to follow due process. Thus, CFC reserves the right to comment and address specific rules and suggested changes when the Commission opens one or more proceedings for that purpose.

[1] SFI and related documents available here: http://www.cpuc.ca.gov/PUC/hottopics/7other/sfi.htm

CFC cannot stress enough the importance of a transparent due process approach when the Commission moves forward with rule change proceedings. At a minimum, the CPUC should follow the requirements of California Public Utilities Code Section 1708 and 1708.5 as well as California Government Code §§ 11346.4 and 11351, and California Code of Regulations, Title 1, §§ 1-120 as it has in the past. It is important, especially with so many proposed changes, for the Commission to take the appropriate steps necessary to provide for notice and the full 45-day comment period.

III. CONCLUSION

There is a need for strong rules to meet every one of the Commission's mission, goals, and purpose. A mass evaluation and rewriting of those rules is an immense undertaking which should not be rushed. CFC asks the Commission to proceed with caution.

Submitted April 17, 2015.

Respectfully submitted,

_____/s/_____

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Solicitation for Input on Certain Rules and Requirements For Public Utilities	NO Rulemaking (Filed January 28, 2015)

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Submitted April 17, 2015.

Respectfully submitted,

_____/s/_____

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April 17, 2015

Via Electronic Mail

Ms. April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, Fifth Floor
San Francisco, CA 94102

Re: **Small LEC Reply Comments in Response to the Policy and Planning Division Staff's January 28, 2015, Solicitation for Input**

Dear Ms. Mulqueen:

Calaveras Telephone Company (U 1004 C), Cal-Ore Telephone Co. (U 1006 C), Ducor Telephone Company (U 1007 C), Foresthill Telephone Co. (U 1009 C), Happy Valley Telephone Company (U 1010 C), Hornitos Telephone Company (U 1011 C), Kerman Telephone Co. (U 1012 C), Pinnacles Telephone Co. (U 1013 C), The Ponderosa Telephone Co. (U 1014 C), Sierra Telephone Company, Inc. (U 1016 C), The Siskiyou Telephone Company (U 1017 C), Volcano Telephone Company (U 1019 C) and Winterhaven Telephone Company (U 1021) (collectively, the "Small LECs") hereby submit their reply comments on the January 28, 2015, Solicitation for Input ("SFI") issued by the Commission's Policy and Planning Division staff ("Staff"). The SFI sought comment on what revisions, if any, should be made to certain Commission rules and requirements and on Staff's proposals set forth in the SFI.

The Small LECs have reviewed the opening comments of the parties and support those who agree that the General Orders ("GOs") and reporting requirements identified in the SFI are ripe for review. In addition, the Small LECs agree with the proposals in the comments of the telecommunications carriers to include consideration of potential modification or elimination of additional GOs and reporting requirements which they find have become obsolete or otherwise outdated.

In addition, GO 69-C should be revised to indicate clearly that it is a final rule, not a proposal. This is not a modification of an existing rule but a correction of a titling error. As AT&T noted in its opening comments, "… there should be no dispute that GO 69-C is in fact final and remains in effect." AT&T Comments, p. 4. The GO was properly adopted by Resolution L-230 but the word "Proposed" was not eliminated in its text. The effectiveness of GO 69-C has been recognized in numerous Commission decisions cited by the parties. Because

the retention of the word "Proposed" appears to reflect a minor publication or clerical error, it is not an accurate reflection of the current status of GO 69-C. Its elimination does not reflect a modification of the GO as adopted by the Commission. As such, perhaps the Commission could simply issue an order through the Executive Director correcting the error without the need for a formal proceeding.

In general, however, Staff's proposals to modify or eliminate various outdated GOs and reporting requirements, and the proposals of the parties to consider modification or elimination of additional GOs and reporting requirements, should proceed to a rulemaking process for further consideration. As the parties have recognized, many of these rules and reporting requirements have become unnecessary due to changes in technology, the evolution of the affected industries, and the adoption of more recent Commission orders covering the same subjects. The tools available in a rulemaking proceeding, such as workshops, comments, et cetera, provide the means to allow the proposals to be vetted for potential adoption by the Commission.

Very truly yours,

Mark P. Schreiber

cc: SFI Listserver

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BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Policy and Planning Division's Solicitation for Input Into What Revisions, If Any, Should Be Made to Certain Rules and Requirements Applicable to Public Utilities in California	CPUC-January 2015 SFI (Issued January 28, 2015)

REPLY COMMENTS OF THE UTILITY REFORM NETWORK ON POLICY & PLANNING DIVISION'S JANUARY 2015 SOLICITATION FOR INPUT

April 17, 2015

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REPLY COMMENTS OF THE UTILITY REFORM NETWORK ON POLICY & PLANNING DIVISION'S JANUARY 2015 SOLICITATION FOR INPUT

I. INTRODUCTION

On January 28, 2015, the Commission's Policy & Planning Division Staff issued a Solicitation for Input (SFI) on Staff's preliminary list of General Orders (GOs) and reporting requirements that may be ripe for revision, as well as staff's "draft conceptual proposals for updating these rules and requirements for potential consideration and action by the Commission."[1] Staff seeks "comment on the substantive merits of updating each rule, as well as the best processes for the Commission to follow."[2] Staff invited opening comments on the SFI, to be filed by March 27, 2015, and reply comments, due today. TURN received opening comments submitted by AT&T California (AT&T), California Cable and Telecommunications Association (CCTA), California Water Association (CWA), Consumer Federation of California (CFC), Frontier Communications (Frontier), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and Verizon Communications (Verizon).

Pursuant to the SFI, The Utility Reform Network (TURN) hereby submits these reply comments. TURN focuses on the procedural recommendations presented by other parties, though also touches briefly on Verizon's proposal that URF carriers be exempted from the GO 77-M reporting requirement. TURN's silence on the remaining recommendations of other parties should not be taken as indicating agreement. Should the Commission open a formal proceeding in which to consider these issues, TURN may at that time conduct an analysis of the merits of the changes at issue in that proceeding.

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[1] SFI, p. 2.
[2] SFI, p. 3.

II. STAFF'S PROPOSALS SHOULD BE CONSIDERED IN AN OMNIBUS RULEMAKING PROCEEDING, NOT AN ADVICE LETTER PROCESS.

AT&T proposes that the Commission open a single "omnibus rulemaking," with broad public notice, to consider revising or deleting requirements contained in the General Orders or other Commission decisions.[3] SCE likewise proposes the use of an "omnibus-type proceeding" to examine the issues raised by Staff in the SFI and by others in opening comments.[4] PG&E, which takes a more equivocal approach, nonetheless posits, "Initiating a rulemaking docket clearly identifying what the Commission proposes to revise or eliminate, could be an efficient method for making the changes and would be consistent with the Commission's Rules of Practice and Procedure."[5] AT&T additionally provides suggestions for creating separate phases and/or tracks in the new proceeding to group various requirements under consideration according to the utility industry or industries to which the requirements apply, and/or by the anticipated degree of controversy surrounding the proposed change.[6]

TURN agrees with AT&T and SCE that the Commission should open an omnibus rulemaking proceeding. TURN additionally supports AT&T's other suggestions for structuring the proceeding and using workshops or other available options for arriving at recommended revisions, such as the GO 95/128 Rules Committee.[7]

In contrast, SDG&E and SoCalGas propose the use of an "omnibus" Tier 3 Advice Letter process.[8] PG&E also expresses a preference for a Tier 3 advice letter process over a rulemaking

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[3] AT&T, p. 6.
[4] SCE Letter, p. 1.
[5] PG&E Letter, p. 1. PG&E's primary recommendation appears to be that the Commission "consider using its process for Tier 3 advice letters as potentially the most expeditious way to adopt appropriate changes." *Id.*
[6] AT&T, p. 6.
[7] *See* AT&T, pp. 6-7.
[8] SDG&E, p. 2; SoCalGas, p. 2.

proceeding.[9] TURN opposes this recommendation for several reasons.[10]

Practically speaking, TURN is not entirely sure how the Tier 3 advice letter proposal would work, since an advice letter is an informal vehicle for a utility to request something from the Commission, as opposed to a Commission initiated process. An "Advice Letter," according to General Order 96-B, is:

> (1) an informal request by a utility for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility's tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.[11]

If the point is for the Commission to follow through on its intended investigation of the changes set forth in the SFI, as well as potentially others identified in comments on the SFI, then it would not be appropriate for the Commission to turn this review process over to the utilities and carriers to frame, scope, and initiate. It is also unclear whether SDG&E and SoCalGas envision that all utilities and carriers would jointly submit a single advice letter requesting modifications and eliminations, or how exactly the requested relief would be compiled and presented to the Commission in an "omnibus" advice letter.

Moreover, the Advice Letter process is fundamentally unsuitable for resolving the issues that can reasonably be anticipated to arise in the Commission's consideration of modifications to the existing reporting requirements for three reasons. First, the Advice Letter process is, by its very design, intended to provide "a quick and simplified review of the types of utility requests

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[9] PG&E Letter, p. 1.
[10] TURN is not entirely sure how this would work, since an advice letter is a vehicle for a utility to request something from the Commission, as opposed to a Commission initiated process. It is unclear whether SDG&E and SoCalGas envision that all utilities and carriers would jointly submit a single advice letter requesting modifications and eliminations.
[11] General Order 96-B, Definitions, Rule 3.1 (Advice Letter).

that are expected neither to be controversial nor to raise important policy questions."[12] As the Commission explained in D.05-01-032, "advice letters generally concern matters that are not expected to raise factual or policy issues."[13] Being informal, advice letters "are generally ill-suited to resolving material factual issues" or the interpretation of a statute or Commission order.[14]

However, factual disputes already exist regarding the necessity of certain requirements at issue in the SFI. For instance, CCTA argues that the Commission must continue requiring the telecommunications companies owning utility poles to file ARMIS report 43-01 "because this report collects all of the data essential for use in the CPUC's formula for determining the basis for pole and conduit costs."[15] CCTA concludes, "Thus the information in ARMIS Report 43-01 is essential both for the ILEC pole owner, the third party attacher and the Commission to reach a proper understanding of the correct pole or conduit rate to be charged."[16] In stark contrast, AT&T argues that the ARMIS reports serve no useful regulatory purpose and should be discontinued.[17]

Second, the Advice Letter process in general provides stakeholders with little meaningful opportunity for discovery and only a single opportunity to raise factual or policy issues, in a protest, which much be submitted within 20 days of the date of the advice letter.[18] SDG&E and SoCalGas would shorten this review period even further. Both explain, "In many of these cases,

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[12] General Order 96-B, General Rules, Section 5.1.
[13] D.05-01-032, Finding of Fact 6.
[14] D.05-01-032, Finding of Fact 7.
[15] CCTA, p. 2. *See also,* TURN, p. 6 (arguing that the ARMIS data reports provide information that, at least in part, continues to be germane to the Commission's regulatory responsibilities).
[16] CCTA, pp. 2-3.
[17] AT&T, p. 3. Frontier and Verizon likewise support Staff's proposal to eliminate the ARMIS reporting requirements. (Frontier, p. 2; Verizon, p. 1).
[18] *See* General Order 96-B, General Rule 7.4.1. Rule 7.4.1 additionally permits a protestant to make a showing in the protest as to why an evidentiary hearing is necessary to resolve material disputed facts.

SDG&E [SoCalGas] does not necessarily deem a comment period necessary, but in such case would recommend a shortened 10 business day comment period and 5 business day reply."[19] The Tier 3 Advice Letter process additionally permits stakeholders to comment on Staff's proposed Resolution before the Commission votes on its adoption.[20] Even so, these opportunities, taken together, are substantially inferior to the procedures that attach to a formal Commission rulemaking.

The inherently compressed time period for review of advice letters by necessity limits what stakeholders can discover from the utility, as well as their ability to develop recommendations for Staff's consideration. Yet discovery will certainly be necessary to understand the merits of at least some of the proposed reporting requirement changes. For instance, Verizon proposes eliminating the GO 107-B annual reporting requirement on wiretaps, explaining simply that it has not reported any wiretaps for "many years."[21] Verizon provides no information on what is actually happening, which makes it impossible to evaluate the reasonableness of its proposal to eliminate the GO 107-B annual reporting requirement on wiretaps.

Last but certainly not least, the Advice Letter process is *informal* and far less transparent than a formal Commission proceeding. Protests are submitted directly to the reviewing Industry Division and are not available on a public website, unlike formal filings with the Commission.[22]

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[19] SDG&E, p. 2; SoCalGas, p. 2.
[20] *See* General Order 96-B, General Rule 7.6.2; Commission Rules of Practice Procedure, Rule 14.5 (affording "any person" the opportunity to comment on a draft resolution by "serving (but not filing) comments on the Commission" in accordance with the instructions accompanying the notice of the draft resolution in the Commission's Daily Calendar).
[21] Verizon, p. 2.
[22] *See* General Order 96-B, General Rule 7.4.1. TURN has heard from time to time that the Industry Divisions may begin posting Advice Letter protests on their webpages within the Commission's website, or at least that Energy Division might, but this has not yet occurred. We note that as of today, April 17, 2015, Energy Division's webpage has an inactive link to "Advice Letter Protests" (*see*

Comments on a proposed Resolution are likewise submitted directly to Staff, as opposed to being filed and appearing on the Commission's Docket Card.[23] Given the possibility of some controversy over proposed rule changes, the Commission should not choose a relatively opaque path for the sake of perceived expediency.

For all of these reasons, the Commission should conclude that an omnibus rulemaking proceeding is more appropriate than an omnibus Tier 3 Advice Letter process for reviewing proposed changes to various General Orders and reporting requirements.

III. A SUNSET DATE SHOULD NOT BE ADDED TO EACH RETAINED REQUIREMENT.

AT&T proposes that the Commission ensure that reporting requirements remaining after the forthcoming proceedings do not become outdated in the future by adding to each such requirement "a sunset date after which the requirement would no longer be in effect unless the Commission reviewed the requirement prior to the sunset date and determined that it should be retained for an additional period of time."[24] TURN opposes AT&T's approach because it requires the Commission to anticipate when a requirement might be unnecessary in light of future and potentially unknown and unknowable changes in law, technology, regulatory oversight needs, or other circumstances. The Commission could instead consider adopting a date for each requirement after which any affected entity could request that the requirement be eliminated by making a showing through the appropriate procedural vehicle.

SDG&E and SoCalGas propose a different approach to avoiding the accumulation of stale reporting requirements: "repeating the process of reviewing reporting requirements in an

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http://www.cpuc.ca.gov/PUC/energy/Resources/index.htm#advice%20letters%20and%20resolutions), but neither the Communications Division nor the Division of Water and Audits appear to be in the process of adding protests to their webpages.

[23] Commission's Rules of Practice Procedure, Rule 14.5.

[24] AT&T, p. 7.

omnibus forum every five years."[25] SCE similarly suggests a five-year cycle for reconsidering rules and requirements that may be ripe for revision in an omnibus proceeding.[26] TURN does not necessarily oppose this proposal, though the Commission may want to consider placing the burden on the jurisdictional entities (utilities, carriers, etc.) which are subject to the potentially unnecessary reporting requirements to petition the Commission to open such a proceeding at the five year timeline, should circumstances warrant.

III. THE COMMISSION SHOULD NOT AT THIS TIME ENTERTAIN VERIZON'S RECOMMENDATION THAT GO 77-M BE ELIMINATED FOR URF CARRIERS.

Verizon proposes that Uniform Regulatory Framework (URF) carriers no longer be subject to the requirement of GO 77-M that utilities file data on certain employee compensation, dues, donations, subscriptions, and legal fees, because "they are no longer subject to cost of service regulation."[27] Four years ago, Verizon joined Frontier and SureWest Telephone in filing A.11-02-003, which sought the same relief. The Commission denied Verizon et al.'s request for exemption from GO 77-M in D.12-11-017, issued not even two and a half years ago. There the Commission explained:

> While many of the services provided by these carriers are no longer regulated by the Commission, this decision concludes that the Commission continues to regulate other aspects of these carriers' services and, as such, the Uniform Regulatory Framework incumbent local exchange carriers should continue to provide the annual reports required by General Order 77-M. Furthermore, the Commission has a continuing duty to ensure that rates remain reasonable and affordable and General Order 77-M remains one tool to assist the Commission in fulfilling this duty.[28]

The Commission should not again entertain this same proposal in the (presumably) forthcoming

[25] SDG&E, p .2; SoCalGas, p. 2.
[26] SCE Letter, p. 1.
[27] Verizon, p. 2.
[28] D.12-11-017, p. 2.

omnibus proceeding.

IV. CONCLUSION

TURN appreciates the efforts of Policy & Planning Division Staff to examine the GOs and other Commission requirements applicable to California public utilities in service of Governor Brown's agency modernization project.[29] Those efforts should result in the issuance of an "omnibus" Order Instituting Rulemaking to encourage and support broad public participation as the Commission considers changes to certain rules and requirements that appear to be outdated and potentially appropriate for updating.

Date: April 17, 2015

Respectfully submitted,

By: _____/s/_____
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[29] *See* SFI, pp. 2-3.

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March 27, 2015

VIA E-MAIL

Ms. April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

Re: AT&T California's (U 1001 C) Comments in Response to the Policy and Planning Division Staff's January 28, 2015 Solicitation for Input

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AT&T's comments below focus on those General Orders ("GOs") and reporting requirements identified in the SFI that affect AT&T. AT&T also provides recommendations for discontinuing certain other outdated reporting requirements. Last, AT&T suggests an efficient process that can be used to revise or delete requirements and to ensure that retained requirements do not become outdated in the future.

Comments on General Orders and Reports Identified in the SFI

The descriptions and Staff proposals in the SFI for specific individual General Orders and reports are repeated below, along with AT&T's comments.

GO 28: This GO details record preservation requirements and was originally issued in 1912, and "reissued" in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO. **Proposal:** This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, *e.g.*, GO 65-A and GO 104-A. (SFI, pp. 7, 13.)

AT&T's Comments: AT&T agrees with Staff's proposal to review GO 28, but recommends that the Commission consider eliminating GO 28 altogether rather than consolidating it with other GOs. GO 28 is a relic of the past. As the SFI points out, GO 28 was adopted over a century ago, and it has been nearly seven decades since it was "reissued." Today, a Commission GO that employs a "one size fits all" approach to financial record keeping requirements makes little, if any, sense. Telecommunications carriers such as AT&T, for example, operate in a competitive market and are no longer subject to rate-of-return regulation and the type of financial data review such regulation entails. Moreover, in many cases, the Commission may find financial data available on-line (e.g., filings made with the Securities and Exchange Commission) to be sufficient for regulatory purposes. Indeed, elsewhere in the SFI, Staff proposes to eliminate the financial reporting requirement of GO 65-A, recognizing that the information is publicly available and easily accessible. (SFI, p. 11.) The Commission can also request additional financial data from utilities as the need arises. Simply put, no regulatory purpose is served by retaining GO 28, and the Commission should consider eliminating it.

GO 52: This GO applies to the construction of power and communication lines to mitigate or prevent inductive interference. This GO was adopted in 1918, and was last amended in 1964.
Proposal: This GO is in need of updating to consider advancements in technology and improvements in the quality and safety of these lines. (SFI, p. 8.)

AT&T's Comments: AT&T agrees with Staff's proposal to update GO 52 due to the passage of time and changes in industry practices that are currently not reflected in the existing rules. For example, GO 52 should be updated to address harmonics created by or related to power company distribution systems and not properly cancelled out due to design criteria or the original design/routing changing significantly over time. Because of the technical nature of GO 52, AT&T recommends that the Commission consider referring GO 52 to the GO 95/128 Rules Committee ("Rules Committee"). The Rules Committee meets regularly and has the technical expertise to address GO 52 rule changes prior to submitting them to the Commission for further consideration. In the alternative, the Commission could convene a technical workshop, which would include electric utilities, communications carriers, and other interested parties as participants, to consider and recommend changes to GO 52.

GO 152-A: This GO provides rules regarding the provision of private line alarm service. This GO applies to all telephone utilities providing service in California with more than 100 private line alarm company serving links. This GO was adopted in 1988.
Proposal: This GO should be reviewed to consider is applicability and usefulness considering changes in the technology, services, and any regulatory or legislative changes. Note: This GO contains a reporting requirement by the telephone company that is also under consideration for elimination. (SFI, p. 10.)

AT&T's Comments: As noted in Staff's proposal, GO 152-A contains a reporting requirement which Staff recommends eliminating, citing the declining number of customers taking the private line alarm services covered by GO 152-A. AT&T not only

agrees with Staff's proposal to eliminate the GO 152-A reporting requirement, AT&T recommends eliminating the entire GO. As Staff notes, the number of customers taking these services continues to decline. AT&T's most recent GO 152-A report showed fewer than 1,500 serving links in the report. This represents a decline of almost 90% since 1998. Moreover, AT&T reported only 4 installation orders for the entire year 2014, and it had an average of fewer than 10 trouble tickets per month during that year. It no longer makes sense to report on or otherwise monitor these services in light of the very low and declining number of lines GO 152-A covers. The Commission should eliminate GO 152-A.

Utility Report [ARMIS Financial Reports]: The Commission still requires that some carriers annually file detailed financial information pursuant to the FCC's ARMIS Reports 43-01, 43-02, and 43-03, despite the fact that the FCC has exercised forbearance concerning these reports since 2008. According to the FCC's ARMIS instructions, reviewed at (http://transition.fcc.gov/wcb/armis/documents/2007PDFs/procspec.html), compiling 43-01 requires 90 hours, 43-02 requires 246 hours, and 43-03 requires 52 hours. **Proposal:** The Commission should eliminate this filing requirement. (SFI, p. 11.)

AT&T's Comments: AT&T agrees with Staff's proposal to eliminate the requirement to file ARMIS Reports 43-01, 43-02, and 43-03 (the "ARMIS Financial Reports"). As the staff points out, the ARMIS Financial Reports have not been required by the FCC since 2008.[1] These reports were initially developed by the FCC at a time when the LECs' interstate and intrastate rates were set under cost-of-service regulations, and their primary purpose was to facilitate analysis of revenue requirements and rates of return.[2] Because the FCC later severed the direct link between regulated costs and prices, the FCC found that the ARMIS Financial Reports are unnecessary to determine whether rates are just, reasonable, and not unjustly or unreasonably discriminatory.[3] As a result, the FCC granted forbearance and discontinued the requirement for the ARMIS Financial Reports.

When this Commission adopted ARMIS reports as a reporting requirement in 2008, the Commission's Uniform Regulatory Framework ("URF") for telecommunications carriers was still in its infancy. At that time, the Commission recognized that the FCC could discontinue ARMIS reporting requirements based on pending and new forbearance petitions, and that in the event of FCC forbearance the Commission would need to determine in a new phase of the proceeding whether it was necessary for the ARMIS reports to continue to be a Commission requirement.[4] Although the FCC subsequently discontinued its requirement for the ARMIS Financial Reports, the "new phase" for this Commission to determine whether it was necessary to continue the reports never happened.

The ARMIS Financial Reports have ceased to serve any useful regulatory purpose. The FCC discontinued them long ago, and it is time for this Commission to discontinue them as well.

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[1] See FCC 08-271 (Rel. Dec. 12, 2008)
[2] *Id.* at paras. 3, 10.
[3] *Id.* at paras. 9-10.
[4] D.08-09-015, p. 48 at Ordering Paragraph 5.

Utility Report [GO 152-A]: GO 152-A requires quarterly reports concerning telephone companies' private line alarm services, despite the dwindling number of customers taking such services.
Proposal: The Commission should eliminate this filing requirement. (SFI, p. 11.)

AT&T's Comments: As discussed above, AT&T not only agrees with Staff's recommendation to eliminate this filing requirement, AT&T recommends eliminating GO 152-A in its entirety.

Utility Report [GO 65-A]: GO-65A, dating from 1968, requires public utilities with gross operating revenues of at least $200,000 to file copies of their financial statements, and copies of their annual reports and statements to stockholders. All of this information is publicly available and easily accessible.
Proposal: The Commission should eliminate this filing requirement. (SFI, p. 11.)

AT&T's Comments: AT&T California agrees with Staff's recommendation to eliminate this filing requirement. GO 65-A was adopted decades ago, and modern technology now enables the information required by GO 65-A to be easily accessed, thus obviating the need for this GO.

GO 69-C: This GO permits public utilities to lease or encumber property provided either that the property is no longer used or useful in providing utility services to the public, or the lease or encumbrance will not interfere with the utility's ability to serve its customers. This GO states it is effective in 1985, but Commission records identify it as "Proposed General Order No. 69-C."
Proposal: This Commission should confirm that GO No. 69-C is final, has not been superseded, and remains in effect and, if so, update the Commission's official records to reflect its official adoption. (SFI, p. 13.)

AT&T's Comments: AT&T does not object to Staff's proposal to remove any perceived ambiguity about the effective status of GO 69-C. However, there should be no dispute that GO 69-C is in fact final and remains in effect, despite the phrase "Proposed General Order No. 69-C" appearing, for example, on the version of GO 69-C provided on the Commission's website. In fact, the four substantive paragraphs of the website version of GO 69-C (beginning with "IT IS HEREBY ORDERED…") are the same four substantive paragraphs of GO 69-C adopted by the Commission in Resolution L-230. Moreover, numerous Commission decisions have recognized GO 69-C as an authorized General Order of the Commission. The version of GO 69-C containing the phrase "Proposed General Order No. 69-C" may be simply the result of a publication error.

GO 104-A: This GO requires the submission of an annual report by utilities under the Commission's jurisdiction. The GO provides details of when certain financial transactions require reporting. This GO was adopted in 1967.
Proposal: This GO should be reviewed to consider whether the financial triggers remain appropriate or should be re-set to account for inflation. Additionally, this GO should be

compared with GO 28 and GO 65-A for overlap and potential consolidation into one General Order. (SFI, p. 13.)

AT&T's Comments: While AT&T does not object to a review of General Order 104-A, AT&T does not believe GO 28 and GO 165-A should be consolidated with GO 104-A. Rather, for the reasons discussed above, AT&T believes the Commission should consider eliminating GO 28 and GO 65-A altogether.

Recommendations for Discontinuing Certain Additional Reporting Requirements

AT&T believes certain additional reporting requirements have become outdated and should be considered for elimination. These reporting requirements, which were not specifically identified in the SFI, are discussed below.

Annual Report of 900/976 Blocking Cost Recovery: Decision 91-04-065 addressed the issue of recovery by Pacific Bell ("Pacific") and GTE California, Inc. ("GTEC") of historical and ongoing costs associated with 976 and 900 call blocking. Cost recovery was an issue because Section 2884 of the Public Utilities Code required unrecompensed expenses of blocking to be borne by the 900/976 providers, not residential telephone subscribers or the telephone companies.

To that end, Decision 91-04-065 established a surcharge, to be assessed by the telephone companies on the 900/976 providers, to allow for full recovery of historical and ongoing blocking costs. The decision required Pacific and GTEC to file an annual report monitoring these costs and revenues, the purpose being to track the telephone companies' progress in recovering historical blocking costs. Once the tracking showed that historical costs had been fully recovered, the surcharge rate would be decreased to cause the recovery of only ongoing blocking costs. Historical cost recovery was originally expected to take 5 to 7 years.

Almost four years ago, AT&T discontinued its 900/976 services, as well as the related surcharge that had been the vehicle for recovering its 900/976 blocking costs. In prior filed reports, Pacific informed the Commission that its historical blocking costs will take over 10,000 years to recover or that such costs will never be recovered.

AT&T should no longer be required to submit the annual 900/976 blocking cost recovery report. The purpose of the report – to signal when full cost recovery has been achieved so that the surcharge rate can be decreased – will never occur. Given these facts, it is clear that preparing and reviewing the report annually poses an undue administrative burden on both AT&T and the Commission itself, diverting valuable and scarce resources from other necessary tasks for no sustainable reason or purpose. Although AT&T filed a petition to modify Decision 91-04-065 on March 15, 2013 in order to eliminate the need for further annual 900/976 blocking cost recovery reports, there has been no activity in that docket since that time. The reporting requirement should be eliminated.

CLEC Caller ID Blocking Report: In Decision 96-04-049, the Commission extended to CLECs requirements that it had already imposed on Pacific and GTEC for providing "Customer Notification and Education" to customers regarding the then-new concept of "calling party number passage" (more commonly known as caller ID), including blocking options available to customers. In conjunction with imposing those requirements, the CPUC also required CLECs to file annual reports of Caller ID subscribership levels. While the reports may have been a useful tool in 1996 for Commission to monitor the rollout by CLECs of Caller ID, it had been almost 20 years since the reporting requirement was adopted. Today, it is unlikely that a report by CLECs about Caller ID selective and complete blocking subscribership continues to serve any useful purpose. AT&T recommends that the Commission consider eliminating this reporting requirement.

Payphone Report: In Decision 08-06-020, the Commission determined that the declining number of payphones could not continue to support a dedicated enforcement staff and eliminated the "Payphone Enforcement Program" and funding mechanism. However, the Commission retained a requirement for local exchange carriers to report monthly on payphone location and owner information to aid the Commission's Consumer Protection and Safety Division in enforcement efforts. Today, almost seven years later, AT&T questions whether there is still a need for this monthly report given the continued decline in the payphone market due to competition from technologies such as wireless phones. The Commission should consider discontinuing the requirement for a monthly report and instead request payphone location and owner information on an as-needed basis.

Suggested Process for Revising or Deleting Requirements and for Ensuring that Retained Requirements do not Become Outdated in the Future

At this time, AT&T believes the most efficient process for revising or deleting the requirements would be for the Commission to open an omnibus rulemaking rather than multiple separate rulemakings. Notice of the proceeding could be given in a manner similar to that used by the Commission to provide notice of other major proceedings. For example, the Commission could use its agenda, service lists from other major proceedings, any Commission-maintained utility contact lists, and press releases.

The rulemaking proceeding could be divided into phases or tracks, and various requirements logically grouped together for consideration. For example, an initial phase of the rulemaking could be designated to address specific proposals for revisions or deletions that appear to be non-controversial. This would enable the Commission to render a decision on such proposals in a timely manner without waiting until more controversial proposals can be addressed.

The Commission could also group various requirements under consideration in the proceeding into separate tracks according to the utility industry or industries to which the requirement apply (e.g., electric utilities, telecommunications utilities, common carriers, railroads, etc.). This would enable the parties to more readily focus resources on those requirements of greatest interest to them. Additionally, the rulemaking could take advantage of workshops or similar mechanisms when it would be useful to help resolve

issues associated with certain requirements. For example, as discussed above, GO 52 could be referred to the GO 95/128 Rules Committee or a workshop to arrive at recommended revisions.

To ensure that retained requirements do not become outdated in the future, AT&T recommends that each requirement contain a sunset date after which the requirement would no longer be in effect unless the Commission reviewed the requirement prior to the sunset date and determined that it should be retained for an additional period of time. This would help to avoid the current problem of many requirements adopted long ago having become outdated, with no Commission review of the requirements having taken place.

Sincerely,

Executive Director-Regulatory

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Refer To File #: 030466-0065

March 27, 2015

CPUC ListServ Solicitation for Input

Re: CPUC-January 2015 SFI

Dear Sir or Madam:

Pursuant to the Solicitation for Input ("SFI") issued January 28, 2015, by the Policy and Planning Division staff ("Staff") of the California Public Utilities Commission ("CPUC" or "Commission"), California Water Association ("CWA") respectfully submits these comments addressing certain rules and requirements applicable to public utilities in the State of California that appear to be out of date due to changes in markets, technologies, state or federal law, and other causes, and that may warrant revision or repeal. In addition to commenting in response to the specific issues and questions enumerated in the SFI, CWA also takes this opportunity to comment on certain other rules and requirements that present similar concerns.

CWA is a statewide association representing the interests of approximately 113 investor-owned water utilities that are subject to the Commission's regulation. These include most of the larger companies that are subject to periodic, standardized rate reviews under the terms of the Rate Case Plan for Class A Water Utilities, which was last modified by CPUC Decision ("D.") 07-05-062, as well as many of the smaller Class B, C, and D water companies, which are, in some respects, subject to more streamlined regulatory procedures.

OVERVIEW

The SFI presents Staff's preliminary compilation of General Orders ("GOs") and reporting requirements that may be ripe for revision, as well as conceptual proposals for updating these rules and requirements for potential action by the Commission. Staff seeks comment on the merits of its proposals concerning individual rules and requirements, as well as the procedures the Commission may follow in order to update them. CWA commends Staff for its efforts, which constitute an excellent first step toward bringing the forms and substance of the Commission's body of rules and regulations into alignment with what is needed for the second century of the Commission's operations.

Some of the proposed updates are simple and should be easy to implement, while others present more of a challenge. For example, the CPUC no longer regulates the fares and schedules of passenger airlines, so there are a number of GOs applicable to airline passenger services that can simply be repealed. In other instances, changes in dollar limits for insurance requirements or reporting thresholds have been unchanged for many years, and now require adjustment. In still other circumstances, changes in industry operations or applicable statutes may justify more complex changes in regulatory rules. CWA recommends that Staff and the Commission proceed to implement appropriate changes across the spectrum of these circumstances.

Several of the GOs for which the SFI proposes changes are applicable to water utilities that are subject to the Commission's jurisdiction. CWA will address each of these GOs, as well as certain additional regulatory requirements for which similar changes may be appropriate.

GENERAL ORDERS ADDRESSED IN THE SFI

GO 28

The SFI discusses several GOs that are potentially ripe for updating due to the passage of time and changes in technology, circumstances, or industry best practices. One of these is GO 28, a regulation adopted in 1912 and "reissued" in 1947. SFI, at 7.

GO 28 requires all public utilities and common carriers to "preserve all records, memoranda and papers" supporting each and every entry in their books of account and other specified financial records, as well as all records, contracts, estimates and memoranda pertaining to original cost of property, additions and betterments, and all records pertaining to depreciation and replacement of equipment and plant. The GO further provides that these "records, memoranda and papers" shall be preserved in a manner such that the Commission "may readily examine the same at its convenience," and may not be destroyed "except on the written authority of this Commission."

What is obviously missing from GO 28 is any time limit on the holding period required for the referenced records, memoranda, and papers. Some financial and accounting records – such as those relating to investments in utility plant – must reasonably be retained for long periods of time – until, for example, the plant has been fully depreciated or retired from service. Other records – such as those relating to operating expenses – may be of no interest after a much shorter period of time. But an open-ended requirement to "preserve all records" without any end date is extravagant and wasteful, if only in terms of the consequent storage expense.

CWA recommends that GO 28 be amended to establish a rule that a utility's "records, memoranda, and papers" relating to the subjects listed in GO 28 must be preserved for at least five (5) years after any investment, expense, revenue, or charge referenced in such documents has ceased to be relevant to any current or proposed rate or charge for any public utility service, unless its destruction has been specifically

authorized by the Commission. Once that period of time has elapsed, a public utility would be permitted to destroy such documents without such specific authorization. A red-lined version of GO 28 reflecting these recommendations, and also eliminating some outdated references, is attached to this letter as Appendix A.

GO 50-B

GO 50-B is among a number of GOs and reporting requirements that the SFI considers potentially ripe for updating because the rules have arguably become less relevant to the Commission's regulation of the specific industry over time. SFI, at 10. Unchanged since its adoption in 1929, GO 50-B requires all public utilities to file "final plans and specifications covering any construction, reconstruction, alteration or repair of dams" with the Commission. GO 65-A, adopted in 1968, requires each public utility with annual revenues of $200,000 or more to file copies of each periodic financial statement prepared in its normal course of business, including its annual reports to stockholders, with the Commission.

It is just as important today as it was in 1929 for electric and water utilities to keep the Commission informed of their construction activities relating to dams, but the Commission's oversight of the construction projects of both electric and water utilities has evolved greatly over the past 85 years and today covers a far broader range of construction projects through a far more detailed regulatory scheme. In the case of the larger water utilities, the Commission's regular review of their existing public water systems and their capital investment projects through the triennial general rate case process pursuant to the Rate Case Plan for Class A Water Utilities, noted above, in concert with these utilities' Urban Water Management Plans, prepared and submitted every five years to the California Department of Water Resources, provide a thorough and consistent system for oversight of these utilities' construction projects relating to dams, along with their construction projects relating to storage tanks, aquifer management, stream flow diversion, wells, pumps, treatment plants, pipelines, and other elements of their public water systems. Similar but appropriately less detailed systems of regulatory oversight apply to the smaller Class B, C, and D water utilities. Similarly extensive oversight systems apply to the electric utilities, large and small, that are subject to the Commission's jurisdiction.

The archaic requirement of GO 50-B applicable only to dams is redundant to these comprehensive regulatory oversight schemes that the Commission routinely applies today to the electric and water utilities that are subject to its jurisdiction. Accordingly, CWA recommends that GO 50-B be repealed.

GO 65-A

GO 65-A is another of the GOs and reporting requirements that the SFI considers potentially ripe for updating because the rules have arguably become less relevant to the Commission's regulation over time. SFI, at 11. Adopted in 1968, GO 65-A requires each public utility with annual revenues of $200,000 or more to file with the Commission copies

all its periodic financial statements, including reports to stockholders. As the SFI notes, all of this information is publicly available and easily accessible, at least for the larger utilities. The effect of this GO is merely to deluge Commission staff with information that it has not requested and is unlikely to review and that it could otherwise obtain with little effort if needed for a specific purpose. For these reasons, CWA recommends that GO 65-A be repealed.

GO 69-C

The SFI identifies another set of GOs and reporting requirements as ripe for updating for a variety of reasons. One of these is GO 69-C, which the SFI describes as permitting public utilities "to lease or encumber property" under certain circumstances. SFI, at 13. This description is not accurate. What GO 69-C does is to authorize public utilities to grant revocable easements, licenses, or permits for use of utility property for rights of way or other limited uses without special authorization by the Commission, if such uses will not interfere with public utility operations, practices, and service. This is a limited but reasonable authorization, upon which utilities can rely to grant benign accommodations to public agencies and private developers and property owners at no harm to their public utility missions.

The SFI notes that Commission records identify only a "Proposed General Order No. 69-C" and proposes that the Commission should confirm that GO 69-C is final and remains in effect. SFI, at 13. CWA endorses and supports that proposal.

GO 104-A

The SFI correctly describes this GO, unchanged since 1967, as requiring utilities to submit annual reports and detailing when certain financial transactions require reporting. The SFI proposes to consider whether the "financial triggers" stated in GO 104-A remain appropriate or should be re-set to account for inflation, and also proposes considering overlap with GO 28 and GO 65-A. SFI, at 13.

CWA notes several outdated features of GO 104-A. The third sentence of Section 1 refers to a "warehouseman," but the Commission has not regulated warehousemen since the 1970s. CWA recommends that this sentence be deleted, along with the word "other" in the final sentence of Section 1. Similarly, CWA recommends that the reference to the "Secretary" of the Commission in Section 4 of the GO be replaced by a reference to the "Executive Director."

More to the point of the SFI's proposal, CWA recommends that the reference to $50,000 in gross operating revenues, which Section 2(a) specifies as the threshold for the annual reporting requirement, should be replaced by a more up-to-date threshold of $500,000. Likewise, CWA recommends that the threshold of $30,000 or 10% of total operating expenses, whichever is less, that Section 2(c)(3) specifies for reporting certain transactions should be replaced by a more up-to-date threshold of $300,000 or 10% of total operating expenses.

GO 28 primarily concerns retention of records, and so does not overlap seriously with GO 104-A. Because CWA proposes repeal of GO 65-A, this will resolve the overlap that does exist between GO 65-A and GO 104-A. A red-lined version of GO 104-A reflecting CWA's recommendations is attached to this letter as Appendix B.

OTHER REGULATORY REQUIREMENTS WARRANTING SIMILAR ATTENTION

GO 77-M

Another GO that presents a need to update reporting thresholds is GO 77-M, which requires reporting with respect to certain public utilities' executive officers, compensation of officers and employees, payments of "dues, donations, subscriptions and contributions of all kinds," and payments to attorneys.

D.04-08-005, adopted in August 2004, set the present employee compensation reporting thresholds in what was then designated as GO 77-L (GO 77-M, adopted in 2006, made unrelated changes. The decision described the purpose of GO 77 as being "to provide the Commission with data to be used in the rate-setting process to determine if salaries and other compensation received by utility officers and employees [are] excessive or out of line with prevailing standards. To do this, we need meaningful data that not only includes salaries, but the other forms of compensation now defined in the GO (expense accounts, contingent fees and other moneys)." *Id.* at 4; see also, D.05-09-021, at 6.

More than a decade has passed since the Commission last reviewed and adjusted the GO 77 employee compensation reporting thresholds. During that time, the wage escalation rates reported annually by the Office of Ratepayer Advocates Energy Cost of Service Branch, pursuant to Resolution S-2559 have indicated a compound increase of more than 30%. Accordingly, it would be appropriate for the Commission to increase the employee compensation reporting thresholds established in GO 77-L in August 2004 by at least 30%.

The thresholds established in GO 77-L are $85,000 for employees of public utilities having annual operating revenues of more than $500,000 but less than $1 billion, and $125,000 for employees of public utilities having annual operating revenues greater than $1 billion. Increasing each of these thresholds by 30% would provide employee compensation reporting thresholds of $110,500 for public utilities having annual operating revenues of more than $500,000 but less than $1 billion and $162,500 for public utilities having annual operating revenues greater than $1 billion. CWA recommends that GO 77-M be updated in this respect.

CONCLUSION

CWA greatly appreciates the initiative taken by Commission Staff to undertake public review of rules and requirements that may warrant revision or repeal. As is clear from the list of General Orders and other requirements addressed in the SFI, many of the Commission's regulations are seriously out of date. A similar review of other categories of regulations applicable to public utilities – including, for example, filing requirements under the applicable general rate case plans, filing requirements for advice letters and tariff changes, and procedures for administering balancing and memorandum accounts – may be similarly beneficial. CWA supports and will seek to assist these and other efforts to enhance the efficiency and effectiveness of the Commission's regulatory processes and procedures.

Very truly yours,

Martin A. Mattes
of Nossaman LLP

Attorneys for CALIFORNIA WATER ASSOCIATION

MAM:mt
Attachments

GENERAL ORDER No. 28

Public Utilities Commission of the State of California

IN THE MATTER OF THE PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND COMMON CARRIERS.

Approved September 10, 1912. Effective October 10, 1912
(Annual Report, Railroad commission, 1912-1913, pages 605, 611)
(Reissued December 22, 1947)

To all Public Utilities and Common Carriers not subject to the jurisdiction of the Interstate Commerce Commission:

IT IS HEREBY ORDERED that each and every public utility and common carrier subject to the jurisdiction of this Commission~~, but not subject to the jurisdiction of the Interstate Commerce Commission~~ shall~~, from the date of October 10, 1912,~~ preserve all records, memoranda and papers supporting each and every entry in the following general books of such public utilities and common carriers for at least five (5) years after any investment, expense, revenue, or charge referenced in such documents has ceased to be relevant to any current or proposed rate or charge for any public utility service, unless their destruction has been specifically authorized by the Commission:

Voucher register or accounts payable ledger;
Accounts receivable register, or ledger inventories;
Vouchers and papers supporting all deeds and title papers;
Trial balances of all ledgers;
General and auxiliary ledgers;
General and auxiliary journals;
General and auxiliary cash books;
All cash papers and journal entries;
Capital stock ledger, journal stubs and all records pertaining thereto;
Annual reports;
Minute books.

Also:

All records, contracts, estimates and memoranda pertaining to original cost of property and to Additions and Betterments.

All records pertaining to depreciation and replacement of equipment and plant.

In the event that different titles, or designations, from those named above are used, the records or memoranda similar in character and purpose to those mentioned above, shall be preserved.

The manner in which these records, memoranda and papers shall be preserved must be such that this Commission may readily examine the same at its convenience.

IT IS FURTHER ORDERED that no records, memoranda or papers which come within the scope of this order and have not been preserved for the period of time specified above shall be destroyed, except on the written authority of this Commission. In the application for such authority full particulars must be stated, and complete reference made to the records, memoranda or papers to be destroyed.

By order of the Commission.

Dated: December 22, 1947
State Building, San Francisco, California

PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

By R. J. PAJALICH
Secretary

GENERAL ORDER No. 104-A
(Repeals General order No. 104)

Public Utilities Commission of the State of California

FILING OF ANNUAL REPORTS BY PUBLIC UTILITIES

Approved April 25, 1967. Effective July 14, 1967.
(Decision No. 72330)

Sec. 1. Pursuant to the provisions of Sections 581, 582 and 584 of the Public Utilities Code,

IT IS HEREBY ORDERED that each public utility now subject, or which hereafter may become subject, to the jurisdiction of this Commission shall file with the Commission an annual report of its operations in such form and content and in such number of copies as the Commission may prescribe. The report shall be verified under penalty of perjury and signed by the owner of the public utility, if an individual; by a partner, if a partnership; or, if a corporation, by the president, secretary, or officer having control of the accounting of such corporation. ~~A warehouseman authorized by the Commission to maintain records on a fiscal year basis shall file the report for each fiscal year within 90 days after the close of the fiscal year.~~ Every ~~other~~ utility shall file the report for each calendar year on or before March 31st of the following year, or such other date as the Commission may designate.

Sec. 2. (a) Except as otherwise provided in this General order, every gas, electric, telephone, telegraph, water or heat utility (all hereinafter in this Section 2 called "the utility"), whose gross annual operating revenues or the aggregate of such revenues and the gross annual operating revenues of the California public utility operations of its affiliated or associated companies, as defined herein, exceed $500,000, shall include in its annual report a statement of any material financial interest, as hereinafter defined, of the following persons in any transaction involving the purchase of materials and equipment or the contracting, arranging or paying for construction, maintenance work or service of any kind to which the utility has been a party during the year covered by the annual report, or to which the utility proposed, at the conclusion of such year, to become a party:

(1) If the utility is a corporation, any director, nominee for election to director, or officer thereof, and any person or other legal entity being the record owner or known by the utility to be the beneficial owner of securities having ten percent or more of the voting power in the utility;

(2) If the utility is a copartnership, any partner, general or limited, thereof;

(3) If the utility is a sole proprietorship, the proprietor thereof;

(4) Any associated or affiliated company of the utility. An associated or affiliated company means any company or person whether or not engaged in public utility operations that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the utility. "Control" (including the terms "controlling", "controlled by", and "or under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contracts, or any other direct or indirect means.

(b) A person specified in Section 2(a) will be deemed to have had or to have a material financial interest in any such past or proposed transaction when such person or any relative or spouse of such person, or any relative of such spouse, who has or has had the same home as such person:

(1) Was at the time of such past transaction, or with respect to such proposed transaction was at the conclusion of such report year, the record owner or known by the utility to be the beneficial owner of securities having ten percent or more of the voting power in a corporation which was, or will be, a party thereto with the utility;

(2) Was at the time of such past transaction, or with respect to such proposed transaction was at the conclusion of such report year, a partner in any copartnership which was, or will be a party thereto with the utility;

(3) Has received either directly or indirectly with respect to such past transaction, or will receive either directly or indirectly with respect to such proposed transaction, remuneration from an entity which was, or will be, a party thereto with the utility, unless such remuneration is attributed solely to the ownership of securities having not more than ten percent of the voting power in any such party; or

(4) Was, or will be a party thereto with the utility.

(e) The statement shall include the name of each person whose interest in any transaction is described and the nature of the relationship by reason of which such interest is required to be described; provided, however, that no such statement need be made with respect to any transaction or interest therein where:

(1) The charges involved in the transaction either were or will be determined by competitive bids (other than bids submitted by associated or affiliated companies) or the transaction was authorized by any regulatory agency having jurisdiction; or

(2) The transaction involved, or will involve, services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or other similar services, insofar as such services are concerned; or

(3) The transaction or series of transactions specified did not, or will not, exceed $300,000, or ten percent of the utility's total operating expenses for the report year, whichever is less.

(d) If no material financial interest, as required by this General Order to be reported, existed during the report year or if the utility did not propose at the conclusion of the report year to become a party to any transaction involving such material financial interest, such fact shall be stated in the report.

(e) Any corporation, otherwise subject to the requirements of this Section 2, whose capital stock, or that of its parent company:

(1) Is listed on a "national securities exchange," as defined in the Securities Exchange Act of 1934 (15 U.S.C. 78(a), et seq.), in lieu of the statements above specified shall submit with its annual report a copy of the latest proxy statement sent to stockholders by it or its parent company, or

(2) Is registered with the Securities and Exchange Commission (SEC) pursuant to the provisions of Section 12(g) of said Securities Exchange Act of 1934, in lieu of the statements above specified shall submit with its annual report a copy of its latest proxy statements sent to stockholders by it or its parent company, con-containing the information required by the rules of the SEC.

Sec. 3. The failure to file an annual report in accordance with the requirements of this General Order will subject a public utility to the penalties and sanctions provided by the Public Utilities Code.

Sec. 4. The ~~Secretary~~ Executive Director of the Commission is directed to cause a copy of this General Order to be served upon each public utility subject to the jurisdiction of this Commission.

This General Order shall become effective on the 14th day of July, 1967.

General Order No. 104 is hereby canceled on the 14th day of July, 1967.

Approved and dated at San Francisco, California, this 25th day of April, 1967.

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
BY WILLIAM W. DUNLOP, SECRETARY

March 27, 2015

April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

Re: CPUC-January 2015 SFI

Dear Ms. Mulqueen:

This letter is being submitted on behalf of the California Cable & Telecommunications Association (CCTA) in response to the January 28, 2015 Solicitation for Input inviting interested parties to comment on the preliminary list of General Orders (GOs) and reporting requirements proposed to be revised or updated.

CCTA has reviewed the preliminary list of rules and requirements in existing GOs and utility reporting requirements that may be out of date and potentially appropriate for updating or elimination. Initially, of the rules and requirements proposed for updating or elimination, two that are significant for CCTA's members and that are not out of date are 1) GO 69-C (*See*, SFI Section E-2), and 2) the FCC's ARMIS Report 43-01 (SFI Section C-8). General Order and the requirement for ILECs to file the FCC ARMIS report must be retained because they remain pertinent to the obligations of the Commission to ensure access to, and to regulate the rates, terms and conditions of, third party attachments to investor-owned utility (IOU) poles and conduit, pursuant to its Rights of Way Decision and the Public Utilities Code. [1]

General Order 69-C

GO 69-C is essential to third party access to utility poles and conduits because, among other things, it provides the utility a right to license property that <u>is not used</u>

[1] *See*, D. 98-10-058 at 4, "By virtue of the rules we issue pursuant to the instant decision, we hereby certify to the FCC that we regulate the rate, terms and conditions of access to poles, ducts, conduits and ROW in conformance with Sections 224 (c) (2) and (3)." *See also*, Pub. Util. Code Section 767.5, "whenever a public utility and a cable television corporation or association of cable television corporations are unable to agree upon terms, conditions or annual compensation for pole attachments or the terms, conditions or costs of rearrangement, the commission shall establish and enforce the rates, terms and conditions for pole attachments and rearrangements."

or useful to the utility, and a right to revocation of the license should the property become useful to the utility. GO 69-C is essential to both the utility and third party attachers to poles and conduit because it authorizes the use of a license, rather than a lease, which does not convey an interest in the real property itself, but rather, a revocable right to use property owned by the utility. The authority conveyed to the utility pursuant to GO 69-C is distinctly different from that conveyed by Public Utilities Code Section 851, where conveyance relates to a lease of property that is necessary or useful in the performance of the utilities duties to the public, and where there is conveyance of an interest in real property. Thus GO 69-C provides an important mechanism to third parties to use a portion of utility property not useful to the utility through the negotiation of revocable agreements that convey no interest in the real property because they can be revoked at any time the property becomes useful to the IOU.

Through GO 69-C, the Commission promotes its policy of favoring the use of existing utility facilities for the development of telecommunications infrastructure, enables carriers to expand and improve their service using existing utility facilities, encourages the deployment of advanced services, and concurrently ensures that the use of the facilities will not interfere with the utilities' electric operations or public utility services. Accordingly, GO 69-C must be retained to promote access to and limited use of such utility property without having to employ a leasehold, irrevocable interest in such property.

ARMIS Report 43-01

The Commission must also retain its requirement that telecommunications companies owning utility poles file ARMIS report 43-01[2], because this report collects all of the data essential for use in the CPUC's formula for determining the basis for pole and conduit costs. In particular, ARMIS report 43-01's Table III ("Pole and Conduit Rate Rental Calculation Information") lists the following information (the numbers preceding the itemized list represent the "row" in the report on which the information is located):

100 Telecommunications Plant-in-Service
101 Gross Investment – Poles
102 Gross Investment – Conduit
200 Accumulated Depreciation – Total Plant-in-Service
201 Accumulated Depreciation – Poles

[2] ARMIS Report 43-02 (the USOA" Report) contains the information listed for the 43-01's Table III, except for the depreciation rates for poles and conduits, the portions of deferred current and noncurrent income taxes representing pole and conduit investment, and pole and conduit rental and maintenance expenses It also does not contain the number of poles, or conduit lengths. ARMIS Report 43-03 (the "Joint Cost Report") further omits the accumulated depreciation for poles and conduit.

202 Accumulated Depreciation – Conduit
301 Depreciation Rate – Poles
302 Depreciation Rate – Conduit
401 Net Current Deferred Operating Income Taxes – Poles
402 Net Current Deferred Operating Income Taxes – Conduit
403 Net Current Deferred Operating Income Taxes – Total
404 Net Non-current Deferred Operating Income Taxes – Poles
405 Net Non-current Deferred Operating Income Taxes – Conduit
406 Net Non-current Deferred Operating Income Taxes – Total
501.1 Pole Maintenance Expense
501.2 Pole Rental Expense
501 Pole Expense
502.1 Conduit Maintenance Expense
502.2 Conduit Rental Expense
502 Conduit Expense
503 General & Administrative Expense
504 Operating Taxes Operational Data (Actual)
601 Equivalent Number of Poles
602 Conduit System Trench Kilometers
603 Conduit System Duct Kilometers

Public Utilities Code Section 767.5, and the Commission Right of Way (ROW) rules promulgated in D. 98-10-058, require that the Commission determine the appropriate pole and conduit rate charged by pole owners when the pole owner and the third party attacher cannot agree on a rate. Thus the information in ARMIS Report 43-01 is essential both for the ILEC pole owner, the third party attacher and the Commission to reach a proper understanding of the correct pole or conduit rate to be charged.

Please do not hesitate to call or e-mail me with any further questions.

Regards,

Lesla Lehtonen

Lesla Lehtonen
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Solicitation for Input on Certain Rules and Requirements For Public Utilities	NO Rulemaking (Filed January 28, 2015)

OPENING COMMENTS OF THE CONSUMER FEDERATION OF CALIFORNIA ON THE SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS FOR PUBLIC UTILITIES

Pursuant to the California Public Utilities Commission's ("Commission") Policy & Planning Division staff (staff) invitation, issued January 28, 2015, to comment on amending or repealing Commission regulations governing Regulated Utilities, the Consumer Federation of California ("CFC") respectfully submits its Comments regarding the scope, rulemaking process, and procedural issues addressed in the Solicitation.

I. INTRODUCTION

The California Public Utilities Commission (Commission) Policy & Planning Division staff (staff) requested public comment through a Solicitation for Input (SFI) concerning certain rules and requirements applicable to public utilities in California that may be out of date due to changes in markets, technologies, state or federal law, and other causes, and may warrant revision or repeal. All interested entities and persons were invited to submit comments in response to the specific issues and questions enumerated in the SFI.[1] The Commission seeks comment in order to help inform the nature and scope of any future proceedings that the Commission may institute in order to update the rules and requirements applicable to entities under the Commission's jurisdiction.

II. TECHNOLOGICAL CHANGE, INDUSTRY BEST PRACTICES, AND CONTINUED RELEVANCE

CFC does not object to the removal of obviously outdated and obsolete rules, terms in rules, and references. Instances where, for example, telegraphs or other technologies and practices no longer in use are mentioned may be removed. Still, the Commission should take care to ensure their removal is motivated solely by simplification of administration, clarifying language, and improving organization. If more substantive impact will result from any suggested alterations, the Commission should take more careful consideration of each.

[1] SFI and related documents available here: http://www.cpuc.ca.gov/PUC/hottopics/7other/sfi.htm

III. ADMINISTRATIVE FOLLOW-UP AND REDUNDANCY AND CHANGES IN FEDERAL OR STATE LAW OR JURISDICTION

CFC cautions the elimination of rules solely because there is another governing body with jurisdiction or redundancy. Removing rules for these reasons should be approached with care. Sometimes redundancy or rules enforced in various jurisdictions provides a check and balance or oversight function for important and necessary tasks.

IV. CHANGES TO COMMISSION MISSION

The California Public Utilities Commission list its own mission as one in which the California Public Utilities Commission serves the public interest by

> …protecting consumers and ensuring the provision of safe, reliable utility service and infrastructure at reasonable rates, with a commitment to environmental enhancement and a healthy California economy. We regulate utility services, stimulate innovation, and promote competitive markets, where possible, in the communications, energy, transportation, and water industries.

While safety is an important and, as some would argue, oft overlooked aspect of the Commission's mission, it is by no means the only element. The CPUC is also tasked with ensuring reliable utility service and infrastructure, with ensuring reasonable rates, enhancing environmental health, and participating in a healthy state economy. CFC objects to the characterization that the sole and most important mission is safety. Each element is just as important as the others and none should be overlooked or discarded.

V. UNIVERSAL CONSIDERATIONS

During the evaluation process for any rule change, the CPUC should consider the following: (1) Is this revision needed and reasonable? (2) Will this revision maintain or improve protection of ratepayers? (3) Will this revision balance resource protection with consumer protection? (4) Will this revision realistically achieve protection? (5) Will this revision improve administration? (6) Are there provisions that are not clear or worded in a way that will raise alarms or be burdensome to interpret? (7) Who or what will be: Positively affected? Negatively affected? (8) Will this revision result in any unintended consequences?

These are essential considerations for any proposed rule change because, if the Commission is not careful, alterations can be worse than if the rule had ultimately been left alone.

VI. TRANSPARANCY

Should the Commission choose to move forward with rule change proceedings, CFC cannot stress enough the importance of a transparent due process approach with all resulting decisions. At a minim, the CPUC should follow the requirements in California Government Code §§ 11346.4 and 11351, and California Code of Regulations, Title 1, §§ 1-120.

VII. CONCLUSION

There is a need for strong rules to meet every one of the Commission's mission, goals, and purpose. These rules should not be too onerous to administer and there should be strict expectations for consistency as they are administered. Clarifying the intent of the rules or the rules themselves is not to create divergences from them but only to ensure that, going forward, subject actions will conform to them. For these reasons, a mass evaluation and rewriting of those rules is an immense undertaking; CFC asks the Commission to proceed with caution and consider the foregoing.

Submitted March 27, 2015.

Respectfully submitted,

_____/s/_____

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VIA CPUC ListServ

March 27, 2015

Ms. April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

RE: Frontier's Comments in Response to the Policy and Planning Division Staff's January 28, 2015 Solicitation for Input

Dear Ms. Mulqueen,

Citizens Telecommunications Company of California Inc., d/b/a Frontier Communications Company of California (U 1024 C), and Frontier Communications of the Southwest Inc. (U 1026 C) (collectively 'Frontier") provide these initial comments on the Solicitation for Input (SFI) issued on January 28, 2015 by the California Public Utilities Commission's (Commission) Policy & Planning Division staff (staff) concerning certain rules and requirements applicable to public utilities in California that appear to be out of date due to changes in markets, technologies, state or federal law, and other causes, and may warrant revision or repeal. Frontier supports this effort and offers comments on the following areas:

Comments on General Orders and Reports Identified in the SFI

GO 28: This GO details record preservation requirements and was originally issued in 1912, and "reissued" in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO.
Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, *e.g.*, GO 65-A and GO 104-A.

Frontier's Comments: Frontier supports removal of this requirement due to being outdated and not necessary in today's environment. Frontier further recommends that GO 28 be entirely eliminated. As a competitive carrier, Frontier believes that this regulation established decades ago under a rate regulated environment no longer serve a beneficial purpose and should be eliminated.

GO 152-A and Utility Report GO 152-A: This GO provides rules regarding the provision of private line alarm service. This GO applies to all telephone utilities providing service in California with more than 100 private line alarm company serving links. This GO was adopted in 1988.
Proposal: This GO should be reviewed to consider its applicability and usefulness considering changes in the technology, services, and any regulatory or legislative changes. Note: This GO contains a reporting requirement by the telephone company that is also under consideration for elimination.

Frontier's Comments: Frontier recommends elimination of GO 152-A and the reporting requirement. Frontier views this requirement as outdated and not relevant in today's telecommunications environment. Frontier's reports have been consistently at or near zero.

Utility Report: The Commission still requires that some carriers annually file detailed financial information pursuant to the FCC's ARMIS Reports 43-01, 43-02, and 43-03, despite the fact that the FCC has exercised forbearance concerning these reports since 2008. According to the FCC's ARMIS instructions, reviewed at (http://transition.fcc.gov/wcb/armis/documents/2007PDFs/procspec.html), compiling 43-01 requires 90 hours, 43-02 requires 246 hours, and 43-03 requires 52 hours.
Proposal: The Commission should eliminate this filing requirement.

Frontier's Comments: Frontier recommends eliminating this reporting requirement. Frontier is no longer subject to the ARMIS reports. Operating in a competitive non regulated earnings environment Frontier does not see the value of creating a report in ARMIS format for reporting purposes. The FCC recognizes that financial reports are no longer required and now the Commission should follow and eliminate this requirement.

Utility Report: GO-65A, dating from 1968, requires public utilities with gross operating revenues of at least $200,000 to file copies of their financial statements, and copies of their annual reports and statements to stockholders. All of this information is publicly available and easily accessible.
Proposal: The Commission should eliminate this filing requirement.

Frontier's Comments: Frontier agrees that this reporting requirement should be eliminated. With today's electronic access to public information, the Commission could easily access various documents that contain this type of information.

Conclusion

The Commission should take advantage of this opportunity to eliminate requirements that no longer serve a benefit, thereby reducing costs and improving efficiency for the companies and the Commission.

If you have any questions or need additional information please contact me at 916.686.3570 or by email at Charlie.Born@ftr.com.

Sincerely,

Charlie Born
Manager, Government & External Affairs

April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th floor
San Francisco, CA 94102

Re: Pacific Gas and Electric Company (U 39 E) Comments to the California Public Utilities Commission Solicitation for Input

To Whom It May Concern,

Pacific Gas and Electric Company (PG&E) appreciates the Commission staff's January 28, 2015 Solicitation for Input (SFI) into what revisions, if any, should be made to certain rules and requirements applicable to public utilities in California. PG&E appreciates the opportunity to assist and comment on the SFI regarding rules and requirements applicable to public utilities in California that may benefit from revision.

PG&E comments on the SFI are attached. PG&E has not included rules and requirements that appear to be the subject of review in current rulemakings or other proceedings. PG&E also is not commenting on rules on subjects where it has no involvement, such as the railway general orders.

The SFI requests comments on processes and procedures the Commission may wish to follow in order to update rules and requirements that should be up-dated, modified or eliminated due to changes in Federal or State law or jurisdiction, passage of time, continued relevance, technological change and industry best practices, changes to Commission mission and administrative follow-up and redundancy. PG&E respectfully suggests that the Commission consider using its process for Tier 3 advice letters as potentially the most expeditious way to adopt appropriate changes. The Commission also could initiate a rulemaking at any time under Rule 6.1 of the Commission's Rules of Practice and Procedure.

Initiating a rulemaking docket clearly identifying what the Commission proposes to revise or eliminate, could be an efficient method for making the changes and would be consistent with the Commission's Rules of Practice and Procedure.

Thank you for your attention. If you have any questions, please contact me at (415) 973-1877, or megan.lawson@pge.com

Very truly yours,

Megan Lawson
Regulatory Relations

Cc: SFI CPUCListServe

PG&E Response to CPUC Solicitation for Input

PG&E Response to specific General Orders raised in Solicitation for Input

General Order	Category Select most appropriate category: ☐ *Changes in Federal or State Law or Jurisdiction* ☐ *Passage of Time: Technological Change and Industry Best Practice* ☐ *Passage of Time: Continued Relevance* ☐ *Changes to Commission Mission* ☐ *Administrative Follow-Up and Redundancy*	Are changes to the Commission rule or requirement necessary? If yes, should it be revised or rescinded?	Redline if necessary/ available
GO 28	Passage of Time: Technological Change and Industry Best Practices	Recommendation: Delete GO 28 in its entirety. GO 28 currently requires that utilities maintain specified records, make them available on request, and requires that utilities get permission from the Commission to destroy these records. PG&E is required by FERC to meet similar, but more comprehensive, recordkeeping requirements (see 18 CFR 125.2 - .3). GO 28 was written in a time when accounting records were paper-based and the volume of records was significantly smaller. PG&E recommends that GO 28 should be updated to reflect the most current records preservation rules contained in the Code of Federal Regulations (CFR), Parts 125 and 225, which are published by Federal Energy Regulatory Commission (FERC). These sections of the CFR deal with the Preservation of Records, for entities subject to FERC jurisdiction and for natural gas companies, respectively.	
GO 52	Passage of Time: Technological Change and Industry Best Practices	Recommendation: Revise GO Advancements in technology, line quality, and safety have minimized the impact of this General Order as use of open wires is no longer as common as it was when this General Order was established. PG&E agrees that it should be updated to consider technological changes. PG&E recommends that the Commission ask the GO 95 and GO 128 Rules Committee, in cooperation with the Safety Enforcement Division, to review and make recommendations for change.	
GO 50-B	Passage of Time: Continued Relevance	Recommendation: Delete GO 50-B PG&E recommends rescinding GO 50-B. When the CPUC predecessor (the railroad commission) adopted the rule in 1929 the federal government's comprehensive regulation of hydro facilities pursuant to the federal power act had not been initiated or was in its infancy. Thus, hydro plants didn't have FERC (or its predecessor) licenses and state regulators were not yet preempted from regulation.	
AMI Report	Passage of Time: Continued Relevance	Recommendation: Rescind requirement PG&E's requirement was approved for elimination in 2014 GRC. PG&E supports the CPUC's recommendation that the requirement be eliminated.	
GO 65-A	Passage of Time: Continued Relevance	Recommendation: Delete GO 65-A PG&E agrees with Staff's proposal to eliminate this filing requirement, as financial reports filed with the SEC are publically available and easily accessible on PG&E's website.	
GO 69-C	Administrative Follow-Up and Redundancy	Recommendation: Commission should confirm that GO 69-C is final, has not been superseded, and remains in effect and, if so, update the Commission's official records to reflect its official adoption.	

		In Ordering Paragraph 2 of ALJ-268, which established GO 173, the CPUC indicated that it would hold a workshop to clarify the application of GO 69-C. PG&E encourages the CPUC to hold that workshop.	
GO 104-A	Administrative Follow-Up and Redundancy	Recommendation: Review GO for continued relevance PG&E supports review of GO 104-A for relevancy and to consider appropriateness of financial triggers. The Commission should consider elimination of financial reporting requirements for information that is otherwise publically available.	
Utility Report: Sole Customer Facility Sale Transactions	Administrative Follow-Up and Redundancy	Recommendation: Eliminate requirement PG&E agrees with Staff's recommendation to eliminate this requirement.	

PG&E Suggested Items for Review

General Order/ Report/ Compliance Requirement [Proceeding and Initiating Decision if appropriate]	**Category** **Select most appropriate category:** ☐ *Changes in Federal or State Law or Jurisdiction* ☐ *Passage of Time: Technological Change and Industry Best Practice* ☐ *Passage of Time: Continued Relevance* ☐ *Changes to Commission Mission* ☐ *Administrative Follow-Up and Redundancy*	**Are changes to the Commission rule or requirement necessary? If yes, should it be revised or rescinded?**	**Redline if necessary**
GO 77M	Administrative Follow-Up and Redundancy	Recommendation: Revise report due dates. Revise employee reporting threshold to stay current with inflation. For the G.O. 77-M report, per Decision 06-12-029, compensation items are due to be filed on or before May 31 of each year. However, G.O. 77-M still requires items relating to dues, donations, subscriptions, contributions and payments to attorneys be filed by March 31 each year. The CPUC can examine and revise the reporting threshold for the 77M report on a regular (5 year?) cycle to keep current the reporting threshold with inflation, similar to the procedure used to examine and update intervenor compensation rates.	"IT IS HEREBY ORDERED, That each public utility having gross annual operating revenues of more than $500,000 but less than $1 billion is directed and required to prepare and file with the Public Utilities Commission of the State of California on or before ~~March~~ May 31 of each and every year a statement showing for the preceding calendar year:" IT IS HEREBY FURTHER ORDERED, That each public utility having gross annual operating revenues of $1 billion or more and that is not an electric corporation or a gas corporation is directed and required to prepare and file with the Public Utilities Commission of the State of California on or before ~~March~~ May 31 of each and every year a statement showing for the preceding calendar year:
GO 96-B	Administrative Follow-Up and Redundancy	Recommendation: Revise GO 96-B PG&E recommends that certain requirements in GO 96-B regarding the submittal of hard copies of advice letter documents be revised to reduce administrative burden. Section 4.2 of the General Rules addresses Customer Notices. It says that a utility can send notices by "electronic mail (e-mail) when a customer has affirmatively consented to receive notice in this manner." The utilities would have more flexibility with how they can communicate with their customers if the "affirmative consent" requirement was removed. Section 7.1 of the General Rules provides as follows: "An Industry Division *may accept the electronic filing of advice letters* and related documents when the Division determines that it has the capacity to receive and process advice letters and related documents in this fashion." However, the specific Energy Industry Rule (Section 7.1) requires that a Utility "provide an original and five copies of the advice letter, one copy of the workpapers (if any), and an original and five copies of each affected tariff sheet." The Energy Division Tariff unit recently reduced this requirement to one original and one copy of each advice letter (as opposed to the "original plus five" requirement that is still officially in the rule), but still requiring mailed hard copies of advice letters seems inconsistent with the much more efficient and environmentally-friendly ability to conduct business electronically. Moreover, protests, responses, and replies to advice letters are only required to be submitted electronically via e-mail and are not required to be provided in person, by delivery service, or by mail like advice	**General Rule, Section 4.2, Customer Notices**: Unless no notice or a shorter notice period is authorized by statute or Industry Rule or other Commission order, a utility shall give affected customers at least 30 days' notice before the effective date of an advice letter requesting higher rates or charges, or more restrictive terms or conditions, than those currently in effect. This notice requirement may be satisfied by one or a combination of the following: bill inserts; notices printed on bills; separate notices sent by first-class mail; or electronic mail (e-mail~~) when a customer has affirmatively consented to receive notice in this manner~~. Notice by first-class mail is complete when the document is deposited in the mail, and notice by e-mail is complete upon successful transmission. Where authorized by the appropriate Industry Rules, the notice requirement may also be satisfied by notices printed in a newspaper of general circulation. **Industry Rule 2. Submitting a Document (see General Rule 7.1)** The Energy Division Filings Room will process documents submitted to the Energy Division for filing, including information-only filings and advice letters and associated documents (such as protests, responses, replies, and supplements). A document may be submitted in person, by delivery service, electronic mail, or by mail to the Energy Division Filings Room, 505 Van Ness Ave., 4th Floor, San

		letters. The suggested change would also reduce costs associated with printing all of the hard copies. General Rule, Section 8.5.2, Table of Contents: The listing of currently effective "Sheet Numbers" within PG&E's Table of Contents no longer serves its original intended purpose. PG&E customers no longer search the company's tariff books based on the sheet number reference within binders at company headquarters or district offices. Currently, tariffs are available online, and customers locate specific, currently effective tariffs by category and tariff name by the links provided on PGE.com For all intents and purposes, these tariff name references and links act as a Table of Contents. In addition, the Table of Contents are provided within each advice filing. The process of updating the "Sheet Numbers" within each Table of Contents within every advice filing is a manual, time-consuming task that provides little value.	Francisco, CA 94102-3298. A Utility submitting an advice letter shall ~~provide an original and five copies~~do so electronically by submitting one copy of the advice letter, one copy of the workpapers (if any), and an original and ~~five copies~~one copy of each affected tariff sheet. A Utility submitting an information-only filing shall electronically submit ~~an original and~~ one copy, and shall cite the statute or Commission order requiring the filing. **General Rule, Section 7.1**: Advice letters and related documents (e.g., protests, responses, replies, and requests for review) shall be filed with the reviewing Industry Division via electronic mail. ~~An Industry Division may accept the electronic filing of advice letters and related documents when the Division determines that it has the capacity to receive and process advice letters and related documents in this fashion.~~ The Industry Division will report advice letters and related documents, and the date of their receipt, in the Daily Calendar. **General Rule, Section 8.5.2, Table of Contents**: At the beginning of the tariffs, a table of contents shall list all tariff subject headings ~~and page numbers of~~ and the name of all currently effective tariffs ~~sheets~~ in the order in which the tariffs ~~sheets~~ appear in the Utility's compilation of its tariffs. Unless the tariff is updated continuously and reliably by an automated system, each rate schedule and each volume of tariffs shall include a check sheet, which shall show the currently effective tariff sheets, by page and revision number, within the schedule or volume. The Industry Rules may require additional or alternative methods for listing currently effective tariff sheets.
GO 173, Rule 10	Administrative Follow-Up and Redundancy Changes to Commission Mission	Recommendation: Delete Rule 10 of GO 173 GO 173, Rule 10, requires an annual report due by April of each year listing all Section 851 advice letters submitted in the previous year. Utility advice letters are publically available and easily accessible so it is unnecessary to submit a report on a subset of advice letters.	
Report: Line Extension Collection Data D.04-05-055 OP1 Appendix C, Item 7	Passage of Time; Continued Relevance	Recommendation: Rescind requirement. PG&E agreed to this report as part of the 2003 GRC settlement w/ TURN, PG&E is not aware of anyone ever using the report.	
Report: Res E-3831 OP 11: Quarterly Reports on installed customer generation under provision of D.03-04-030	Administrative Follow-Up and Redundancy	Recommendation: Rescind requirement This report is no longer applicable and the requirement should be eliminated as the statewide MW cap established in D.03-04-030 has been reached.	
Report: Quarterly Safety Net Program Report D.04-05-055 OP1; Distribution Settlement, Appendix B, Items 1-11	Passage of Time: Continued Relevance	Recommendation: Revise report frequency PG&E requests that this requirement frequency be revised from quarterly to either annually, or in every GRC.	

Report: Quality Assurance Standards, OP1; Distribution Settlement, Appendix B, Items 1-11	Passage of Time: Continued Relevance	Recommendation: Revise report frequency PG&E requests that this requirement frequency be revised from quarterly to either annually, or in every GRC.	
Report: Call center performance measure, D.04-10-034, text Section 7.5(c)	Passage of Time: Continued Relevance	Recommendation: Consider rescinding requirement or revise report frequency PG&E requests that this requirement be eliminated or, at the very least, modified to require reporting in every GRC, rather than every quarter.	
Report: Cogen and Small Power Production Semi-Annual report: E-1738	Administrative Follow Up and Redundancy	Recommendation: Rescind Requirement E-1738 report should be eliminated and superseded by the report adopted in the CHP settlement, D.10-12-035, Term Sheet Section 8.	
Report: D.07-04-020 OP 2: Monthly ERRA BA report	Passage of Time: Continued Relevance	Recommendation: Rescind Requirement PG&E recommends modifying the Monthly Activity Report by eliminating the Residual Net Short Calculation spreadsheet from the monthly report. The RNS summary appears to be legacy spreadsheet that is not used within PG&E; the use/value for an external audience is unknown. In addition, the RNS spreadsheet repeats information that is captured in the lead summary spreadsheet for the report, and that appears in work papers provided with the report. Therefore, information captured in RNS summary spreadsheet would be retained in the monthly report, even if the spreadsheet were eliminated.	
Report: Gas Pipeline Replacement Program, D.86-12-095	Administrative Follow Up and Redundancy	Recommendation: Revise due date Revise annual due date from March 31 to April 30. Every year, PG&E requests and the CPUC approves a due date of April 30. PG&E requests that the CPUC make this permanent to avoid requesting an extension each year.	
Report: Gas Meter Protection, D.89-12-057	Administrative Follow Up and Redundancy	Recommendation: Revise due date Revise annual due date from March 31 to April 30. Every year, PG&E requests and the CPUC approves a due date of April 30. PG&E requests that the CPUC make this permanent to avoid requesting an extension each year.	
Report: Semi-annual CSI expense reports on all administrative activities D.07-05-47 Appendix A OP 7	Administrative Follow Up and Redundancy	Recommendation: Revise reporting frequency Request that reporting frequency be revised from semi-annual to annual.	
Report: Quarterly report by California Solar Initiative Program Administrators D. 10-09-046 OP 6	Administrative Follow Up and Redundancy	Recommendation: Combine reporting requirements PG&E believes this requirement is no longer needed because the CSI data is available and updated on online.	
Report: Rule 21 Quarterly report on the rationale for requiring Net Generation Output Metering equipment in each instance along with the size and location of the	Administrative Follow Up and Redundancy	Recommendation: Combine reporting requirements The data in this report could be consolidated into to the Interconnection Data Quarterly Report, which is required by D.14-04-003, OP 3	

facility			
Report: Quarterly reporting on the rationale for requiring Telemetering equipment D.00-11-001 OP1	Administrative Follow Up and Redundancy	Recommendation: Combine reporting requirements The data in this report could be consolidated into to the Interconnection Data Quarterly Report, which is required by D.14-04-003, OP 3	
Report: Rule 20 Completion Report for Underground Conversion of Overhead Electrical Facilities	Passage of Time: Continued Relevance	Recommendation: Eliminate the Rule 20B and Rule 20C reporting requirements The vast majority of Rule 20B and 20C projects are done as ancillary construction to new business under another tariff. As such, costs apportioned among tariffs, and in part reflect utility estimates of the portion of the work performed by the applicant and attributed to the tariff. Also, removals represent a disproportionately large amount of costs on these 20B and 20C projects and vary so widely that it's not feasible to use these costs for projection or analysis. All collectible amounts under Rule 20B and 20C are "net project costs", i.e. the values reflect expenses that of themselves are often an estimated percentage of a total budgeted project cost comingling and netted of various credits as applicable. As such, PG&E questions the usefulness of the data contained in these two reports	
Report: AB 970/131-D: Planning and construction of facilities for the generation of electricity and certain electric transmission facilities in California	Administrative Follow Up and Redundancy	Recommendation: Revise reporting frequency PG&E proposes to decrease the frequency of this report to bi-annually rather than quarterly due to the fact that major infrastructure projects do not develop at a rate to warrant updates every three months.	
Report: Demand Response estimate for each SmartRate season, D.06-07-027, OP 5	Administrative Follow Up and Redundancy	Recommendation: Rescind requirement The SmartRate demand response, i.e. load impact, is performed as part of the load impact analysis due April 1 each year pursuant to the Load Impact Protocols, adopted in D. 08-04-050 (final decision in R.07-01-041). Along with other annual load impact reports, the SmartRate load impact report is served via a NOA to the service list in R.13-09-011, the successor to R.07-01-041. So Commission staff receives it through the service in R.13-09-011. There is a separate distribution to Ed Randolph and Joe Como to demonstrate compliance with OP 5 of D.06-07-027, but this is made redundant with the service in compliance with D.08-04-050.	
Report: Reporting Requirements for Electric, Gas, and Telephone Utilities Regarding Their Affiliate Transactions D.93-02-019, Appendix A, Section G 7.c	Administrative Follow Up and Redundancy	Recommendation: Rescind Requirement Appendix A, Section G 7. c., of D.93-02-019 requires the utility to submit to the CPUC "All periodic reports filed by the controlling corporation with the Securities and Exchange Commission". PG&E Corporation reports filed with the SEC are now available on-line. And other controlling corporations (like those listed in the first paragraph of the decision), who file reports with the SEC, likely have those reports available electronically on line. Therefore it would update the requirement to current technological reality and remove inefficiencies, to eliminate this requirement if the controlling corporation has all its SEC reports available publicly through a website or similar electronic online tool.	

Russell G. Worden
Managing Director
State Regulatory Operations

March 27, 2015

VIA ELECTRONIC FILING

April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th floor
San Francisco CA 94102
April.Mulqueen@cpuc.ca.gov

Re: *Southern California Edison Company's (U-338-E) Comments to the California Public Utilities Commission Solicitation for Input*

Dear Miss Mulqueen:

Southern California Edison Company (SCE) appreciates the opportunity to comment on the California Public Utilities Commission's (Commission's) Solicitation for Input (SFI). The Commission issued the SFI on January 28, 2015. The SFI asks for input concerning rules and requirements, applicable to public utilities in California, that may be ripe for revision.

SCE's comments on the SFI are attached. Please note that in developing its comments, SCE has not included rules and requirements that appear to be the subject of review in ongoing rulemakings or other proceedings.

SCE respectfully suggests that the Commission open an omnibus-type proceeding to address the various changes that SCE and other parties are suggesting. After the proceeding concludes, the Commission could consider repeating the process every five years. That way, rules and requirements are updated and appropriately streamlined in a reasonable and consistent manner. This five-year cycle would, of course, not preclude the Commission from modifying rules and requirements in the interim period through rulemakings, petitions for modification, or other appropriate vehicles.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact SCE as follows:

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Very truly yours,

Russell G. Worden

Russell G. Worden

SCE Response to CPUC Solicitation for Input

SCE Response to specific General Orders/ Reports raised in Solicitation for Input

Item	General Order	Category	Are changes to the Commission rule or requirement necessary? If yes, should it be revised or rescinded?	Redline?
1	GO 28	Passage of Time: Technological Change and Industry Best Practices	Recommendation: Delete GO 28 in its entirety. GO 28 currently requires that utilities maintain specified records, make them available on request, and requires that utilities get permission from the Commission to destroy these records. SCE is required by FERC to meet similar, but more comprehensive, recordkeeping requirements (see 18 CFR 125.2 - .3). GO 28 was written when accounting records were paper-based and the volume of records was significantly smaller. The volume of data in today's computerized accounting systems make it impractical for the Commission to review and approve records destruction. The company has a comprehensive Records Management Program that meets the intent of GO 28. The Program includes a Records Retention Schedule that provides retention guidelines for all company records, including accounting records. The Retention Schedule is reviewed and approved by SCE's Law Department periodically. SCE's Information Governance group works with the responsible department to help make sure that records are retained for business and any pertinent regulatory requirements throughout their retention period, and are thus available to the Commission upon request. The records are destroyed at the end of the retention period, after a review by the responsible department, and by SCE's Law Department as necessary.	Not necessary
2	GO 50-B	Passage of Time: Continued Relevance	Recommendation: Delete GO 50-B in its entirety When the Commission's predecessor (the Railroad Commission) adopted this General Order in 1929, the Federal government's comprehensive regulation of hydro facilities pursuant to the Federal Power Act was relatively nascent. Thus, hydro plants did not have FERC (or its predecessor, the Federal Power Commission) licenses and state regulators were not yet preempted from regulation. GO 50-B is no longer relevant to Commission jurisdiction and regulation of hydro facilities is now under the jurisdiction of the FERC, pursuant to the Federal Power Act.	Not necessary
3	GO 52	Passage of Time: Technological Change and Industry Best Practices	Recommendation: Revise GO 52 Advancements in technology, line quality, and safety have minimized the impact of this General Order, as use of open wires is no longer as common as it was when this General Order was established. SCE agrees that it should be updated to consider technological changes. SCE recommends that the Commission ask the GO 95 and GO 128 Rules Committee, in cooperation with the Safety Enforcement Division, to review and make recommendations for change.	Additional information/review is necessary by a broad group of stakeholders prior to redline.
4	AMI Report	Passage of Time: Continued Relevance	Recommendation: Rescind filing requirement Each of the three IOUs submit quarterly and annual AMI reports detailing the progress of AMI implementation. With the roll-out of AMI almost entirely completed, these reports are no longer needed.	Not necessary
5	GO 65-A	Administrative Follow-Up and Redundancy	Recommendation: Delete GO 65-A in its entirety This order requires the company to submit financial statements and annual reports to the Commission. SCE files these reports with the SEC as part of its obligation as a publicly-traded company. These reports are available on SEC's EDGAR system as well as being available online on the Edison International website.	Not necessary

6	GO 69-C	Administrative Follow-Up and Redundancy	Recommendation: The Commission should confirm that GO 69-C is final and remains in effect. GO 69-C is a valuable tool by which utilities may agree to minor and limited encumbrances of operative property. In SCE's experience, 69-C is used for passive uses, such as walking trails, community gardens, and nurseries. GO 69-C permits these types of encumbrances provided that the utility and/or the Commission may require the resumption of the utility's use of the area. SCE has no objection to the Commission confirming that GO 69-C was duly adopted.	Not necessary
7	GO 104-A	Administrative Follow-Up and Redundancy	Recommendation: Revise GO Electric utility financial information is publically available and easily accessible. SCE suggests that GO 104-A be updated to reflect that electric and gas utility financial information is publically available with reference to FERC Form 1 and 2.	Not necessary

Additional Suggested Items for Review

Item	General Order/ Report/ Compliance Requirement]	Category Select most appropriate category:	Are changes to the Commission rule or requirement necessary? If yes, should it be revised or rescinded?	Redline if necessary
8	GO 77-M	Administrative Follow-Up and Redundancy	Recommendation: Revise due dates for reports Commission GO 77-M, as adopted in D.06-12-029 and D.07-03-049, requires that utilities file an annual report for expense and compensation data for the prior calendar year. The expense data related to dues, donations, subscriptions, contributions, and payments made to attorneys is due by March 31, and the data on compensation by May 31 of each year. For years, SCE has asked the Commission's Executive Director for an extension of the March 31 report in order to submit that data concurrent with the data due on May 31. The Commission has granted these requests. While SCE appreciates the Commission's granting of its extension requests, these routine annual extensions do not represent a prudent use of time and resources for any involved stakeholders. In the interest of efficiency and reducing unnecessary communications, the due dates of the GO 77-M informational reports should be harmonized so that both sets of information would be due on the same date – May 31 of each year.	**General Order 77-M,** "IT IS HEREBY ORDERED, That each public utility having gross annual operating revenues of more than $500,000 but less than $1 billion is directed and required to prepare and file with the Public Utilities Commission of the State of California on or before ~~March~~ May 31 of each and every year a statement showing for the preceding calendar year:" "IT IS HEREBY FURTHER ORDERED, That each public utility having gross annual operating revenues of $1 billion or more and that is not an electric corporation or a gas corporation is directed and required to prepare and file with the Public Utilities Commission of the State of California on or before ~~March~~ May 31 of each and every year a statement showing for the preceding calendar year:" "IT IS HEREBY FURTHER ORDERED, That each public utility having gross annual operating revenues of $1 billion or more and that is an electric corporation or a gas corporation is directed and required to prepare and file with the Public Utilities Commission of the State of California on or before ~~March~~ May 31 of each and every year a statement showing for the preceding calendar year:"
9	GO 96-B	Passage of Time: Technological Change and Industry Best Practices	Recommendation: Revise GO 96-B SCE recommends that certain requirements in GO 96-B be revised to reduce administrative burden consistent with guidance already provided in tariffs, take advantage of enabling technology like electronic mail and filing systems and online document databases as described below. Section 4.2 of the General Rules addresses Customer Notices states that a utility can send notices by "electronic mail (e-mail) when a customer has affirmatively consented to receive notice in this manner." The utilities would have more flexibility with how they can communicate with their customers if the "affirmative consent" requirement was removed. In addition, SCE has recently filed tariff changes proposing that when a customer provides an e-mail address to SCE as a means of contact, SCE may use such e-mail address to communicate with the customer, absent instructions to the contrary. (Advice letter is pending approval.) Section 7.1 of the General Rules provides as follows: "An Industry Division *may accept the electronic filing of advice letters* and related documents when the Division determines that it has the capacity to receive and process advice letters and related documents in this fashion." However, the specific Energy Industry Rule (Section 7.1) requires that a utility "provide an original and five copies of the advice letter, one copy of the workpapers (if any), and an original and five copies of each affected tariff sheet." The Energy Division Tariff unit recently reduced this requirement to one original and one copy of each advice letter (as opposed to the "original plus five" requirement that is still officially in the rule), but still requiring mailed hard copies of advice letters seems inconsistent with the much more efficient and environmentally-friendly ability to conduct business electronically. Moreover, protests,	**General Rule, Section 4.2, Customer Notices** Unless no notice or a shorter notice period is authorized by statute or Industry Rule or other Commission order, a utility shall give affected customers at least 30 days' notice before the effective date of an advice letter requesting higher rates or charges, or more restrictive terms or conditions, than those currently in effect. This notice requirement may be satisfied by one or a combination of the following: bill inserts; notices printed on bills; separate notices sent by first-class mail; or electronic mail (e-mail)~~ when a customer has affirmatively consented to receive notice in this manner~~. Notice by first-class mail is complete when the document is deposited in the mail, and notice by e-mail is complete upon successful transmission. Where authorized by the appropriate Industry Rules, the notice requirement may also be satisfied by notices printed in a newspaper of general circulation. **Industry Rule 2. Submitting a Document (see General Rule 7.1)** The Energy Division Filings Room will process documents submitted to the Energy Division for filing, including information-only filings and advice letters and associated documents (such as protests, responses, replies, and supplements). A document may be submitted in person, by delivery service, electronic mail, or by mail to the Energy Division Filings Room, 505 Van Ness Ave., 4th Floor, San Francisco, CA 94102-3298. A Utility submitting an advice letter shall ~~provide an original and five copies~~do so electronically by submitting one copy of the advice letter, one copy of the workpapers (if any), and an original and ~~five copies~~one copy of each affected tariff sheet. A Utility

			responses, and replies to advice letters are only required to be submitted electronically via e-mail and are not required to be provided in person, by delivery service, or by mail like advice letters. By allowing SCE to file advice letters electronically, SCE will have an additional day to complete its work on the filings (since it would no longer be necessary to allocate a day for mail service). The suggested change would also reduce overnight postage and courier costs and costs associated with printing all of the hard copies. General Rule, Section 8.5.2, Table of Contents: The listing of currently effective "Sheet Numbers" within SCE's Table of Contents no longer serves its original intended purpose. SCE customers no longer search the company's tariff books based on the sheet number reference within binders at company headquarters or district offices. Currently, tariffs are available online, and customers locate specific, currently effective tariffs by category (e.g., Residential Rates, Rules, Electronically Filed Forms) and tariff name by the links provided on SCE.com. For all intents and purposes, these tariff name references and links act as a Table of Contents. In addition, the Table of Contents are provided within each advice filing. The process of updating the "Sheet Numbers" within each Table of Contents within every advice filing is a manual, time-consuming task, and provides little value to SCE customers. SCE will continue its current process of categorizing its various tariffs and updating the currently effective tariffs on SCE.com that customers rely on, but requests to discontinue the filing of the Table of Contents within every advice filing.	submitting an information-only filing shall electronically submit ~~an original and~~ one copy, and shall cite the statute or Commission order requiring the filing. **General Rule, Section 7.1** Advice letters and related documents (e.g., protests, responses, replies, and requests for review) shall be filed with the reviewing Industry Division via electronic mail. ~~An Industry Division may accept the electronic filing of advice letters and related documents when the Division determines that it has the capacity to receive and process advice letters and related documents in this fashion.~~ The Industry Division will report advice letters and related documents, and the date of their receipt, in the Daily Calendar. **Section 7.4.3:** The Utility filing an advice letter shall reply to each protest and may reply to any response. Any such reply shall be filed with the reviewing Industry Division within ten~~five~~ business days after the end of the protest period, and shall be served on the same day on each person who filed a protest or response to the advice letter. The protestant may not reply to the Utility's reply. **General Rule, Section 8.5.2, Table of Contents** At the beginning of the tariffs, a table of contents shall list all tariff subject headings ~~and page numbers of~~ and the name of all currently effective tariff~~s~~ ~~sheets~~ in the order in which the tariff~~s~~ ~~sheets~~ appear in the Utility's compilation of its tariffs. Unless the tariff is updated continuously and reliably by an automated system, each rate schedule and each volume of tariffs shall include a check sheet, which shall show the currently effective tariff sheets, by page and revision number, within the schedule or volume. The Industry Rules may require additional or alternative methods for listing currently effective tariff sheets.
10	CSI-Thermal Program Quarterly Progress Report (Filed Jointly by the CSI-Thermal PAs)	Passage of Time: Continued Relevance	Recommendation: Revise requirement to decrease frequency of report Since SCE's CSI Thermal program is out of funding, there is no longer any activity or new information available to justify quarterly reporting. Report frequency should be modified to be required annually.	**From D.10-01-022, Page 86 and 87, Ordering Paragraph 13 c** 13. In administering the California Solar Initiative Thermal Program, the California Solar Initiative Thermal Program Administrators, namely Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and the California Center for Sustainable Energy, shall perform all duties specified in Appendix A, including but not limited to the following: c) Separately submit ~~quarterly~~ annual progress reports to the Energy Division
11	CSI Program Administration Semi-Annual Expense Report (CSI General Market, CSI MASH, and CSI Thermal)	Passage of Time: Continued Relevance	Recommendation: Revise requirement to decrease frequency of report Volume of activity in the CSI program is diminishing, so there is no longer enough new information available to justify semi-annual reporting. Report frequency should be modified to be required annually.	**From D.07-05-047, Appendix A, Page 4, Item 7** The program administrators should submit ~~semi-~~annual expense reports on all administrative activities to the Director of the Energy Division, with the first report due July 15, 2007, and further reports every ~~six~~ twelve months thereafter.
12	CSI Thermal Program Semi-Annual Expense Report	Passage of Time: Continued Relevance	Recommendation: Revise requirement to decrease frequency of report Since SCE's CSI Thermal program is out of funding, there is no longer any activity or new information available to justify semi-annual reporting. Report frequency should be modified to be required annually.	**From D.10-01-022, Page 86 and 87, Ordering Paragraph 13 a** 13. In administering the California Solar Initiative Thermal Program, the California Solar Initiative Thermal Program Administrators, namely Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and the California Center for Sustainable Energy, shall perform all duties specified in Appendix A, including but not limited to the following: a) Separately submit ~~semi-~~annual expense reports to the Energy Division as a subset of and along with general market California Solar Initiative expense reports

13	Annual Report on Subsidiary, Affiliate, and Holding Company Transactions in Compliance With R.92-08-008, Ordering Paragraph No. 2	Passage of Time: Continued Relevance	Recommendation: Rescind requirement for report. SCE has compiled the Affiliate Transactions Annual Report since 1992 for the calendar year periods beginning in 1989 through the present. The Affiliate Transactions Annual Reports are submitted by letter to the Commission and distributed to a wide variety of third-party intervenors through the Commission's service list (R.92-08-008 service list). SCE has not received any inquiries from the Energy Division or from any third-party intervenor regarding any of the Affiliate Transactions Annual Reports for at least the past 10 years. The financial statements contained in Volume III of the Affiliate Transactions Annual Report is filed with the Securities and Exchange Commission through EIX's Annual Report, Quarterly Financial Statements, 10-K Forms, etc. and many are available on the internet. In addition, the rest of the information contained in SCE's Affiliate Transactions Annual Report is audited on a bi-annual basis in independent Affiliate Transaction Rule audits conducted by the Energy Division.	Not necessary
14	Top Ten SCE Executives Total Compensation D.04-07-022 - Ordering Paragraph 13	Administrative Follow-Up and Redundancy	Recommendation: Rescind the requirement Ordering Paragraph 13 of D.04-07-022 directs SCE to provide the total compensation received by each of SCE's most highly compensated individuals, by February 1 of each year. This information is not available by February 1 and is also duplicative of information contained in the GO 77-M report. SCE recommends that this requirement be rescinded.	Not necessary
15	Completion Report for Underground Conversion of Overhead Electrical Facilities	Passage of Time: Continued Relevance	Recommendation: Eliminate Exhibits B through E The value and need for the information contained in this report and how it may be used by the Commission is unclear. The report contains several exhibits (A – E) associated with Rule 20 projects and expenditures. Exhibit A contains historical allocation and expenditure information for SCE's Rule 20A program. The exhibit provides for an overview of SCE's Rule 20A program including historical allocations and expenditures, funds committed for projects in design and construction, and funds required for future projects under consideration by governmental agencies. Exhibit A provides for a concise overview of SCE's Rule 20A Program and no changes or modifications are proposed for the exhibit. Exhibits B through E contain a list of projects and their expenditures for Rule 20A, 20B, 20C and underground conversions made for operational purposes complete in the report year. Projects are included in the annual report when all work orders associated with that project have been unitized and closed to plant-in-service account 101. Because underground conversion projects are more complicated projects that typically take several years or more to design and construct, the expenditures included in the report do not reflect expenditures made in the report year, but reflect expenditures made in multiple years from project inception to completion and close-out. Given that the value and usefulness of the project-specific information included in these exhibits is unclear, SCE proposes that Exhibits B through E be excluded from future annual reports.	Not necessary

16	A0806001 Report of SCE's Interruptible Load Programs and Demand Response Programs (DR Monthly Report)	Administrative Follow-Up and Redundancy	Recommendation: Modify report frequency While the official requirement does not specify a quarterly submission, Staff has requested data on a quarterly basis. SCE suggests that the quarterly request be eliminated, because the data provided is duplicative of the data provided on a monthly basis.	No decision to redline
17	Service Guarantee D. 04-07-022	Passage of Time: Continued Relevance	Recommendation: Modify the frequency of this filing requirement from semi-annual to annual, which will still allow Commission to monitor program metrics. The Commission adopted semi-annual reporting requirements in order to monitor the program. Consistent with D.04-07-022, SCE prepares a report on a semi-annual basis which includes the following metrics: number of claims made; number of claims paid; and amounts of money paid. The results contained in the semi-annual reports are based on internal SCE processes and data. As agreed with ORA, should significant variances occur from one month to another during the six-month reporting period, SCE will provide an explanation for the variance. SCE sends the reports to the Commission's Energy Division and also provides a copy to the ORA. Given that variance information is available on an as-needed basis, modifying the filing requirement to be an annual requirement reduces administrative burden, while still allowing Commission to monitor program metrics.	**D.04-07-022, Section 5.5, p. 164, last paragraph** Adopting a rebate enforcement element to the mandatory customer service guarantees we adopt today requires that we monitor the program to ensure efficacy and avoid potential abuse. We believe that ORA's recommendation to require SCE to report program results (number of claims made, claims paid, and amounts of money paid) to the Commission on a quarterly basis is too onerous and thus will require that reporting be done on an ~~semi-~~annual basis. **D.04-07-022, p. 359, No. 12** SCE shall establish a mandatory customer service guarantee program as outlined and directed in Section 5.5 of this Decision within 120 days of the effective date of this order, including the annual reporting requirements incorporated therein.
18	GO 173	Administrative Follow-Up, Passage of Time: Technological Change and Continued Relevance	Recommendation: Delete Rule 10, Annual Reporting Requirement, from GO 173 GO 173, Rule 10, requires an annual report due by April 1 of each year listing all Section 851 advice letters submitted in the previous year. Review and itemization of these specific filings is a manual process. SCE advice letters are publically available and accessible on sce.com/adviceletters. If electric or gas related, advice letters are also posted on the Energy Division's newly established Utility Advice Letters and Related Documents website (www.cpucadviceletters.org). The majority of Section 851 advice letters are filed with the Telecommunications Division and are telecommunications related. On average, fewer than 20 telecommunications-related advice letters are filed each year; thus, identification and/or tracking these type filings on sce.com would not be overly burdensome.	Delete Rule 10
19	Standing Energy Division Data Request on Net Short Position and Procurement Transactions	Passage of Time: Continued Relevance Administrative Follow-Up and Redundancy	**Recommendation**: Eliminate requirement for standing Monthly Energy Division Data Request on net short position and procurement transactions. The Monthly Energy Division Data Request includes two types of information: energy procurement costs and transactions to meet residual net short (RNS) positions (Questions 1-2); and (2) load, price, and RNS forecasts (Questions 3-8). SCE recommends elimination of the standing data request as this information is publicly available through the CAISO website, included within (or within scope of) other compliance requirements, or irrelevant due to the passage of time and industry changes. At the time the Energy Division made the standing data request in 2003, the utilities were restarting their procurement activities, and there was no publicly available price series to indicate the value of energy in the California market. This standing data request provided bilateral transaction activity as a measure of the value of energy and also provided	No decision to redline

			information on SCE's short or long positions that were taken to the market. In 2009, the CAISO Market Redesign and Technology Upgrade (MRTU) resulted in the publication of a Day-Ahead market clearing price that is a better indication of the value of energy than the bilateral procurement activity, especially as this activity dropped significantly post-MRTU. In short, this data request is outdated given current market conditions and industry changes. Energy procurement activity (Questions 1-2) is now regularly reported and audited via utility AB 57 quarterly compliance reports (QCR) and the Energy Resource Recovery Account (ERRA) proceeding, as well as presented to the utility procurement review group (PRG). This is in compliance with the utility Bundled Procurement Plan (BPP) and relevant commission decisions. The load, price, and RNS forecast information (Questions 3-8) appears largely outdated given MRTU and industry changes. This information is not included within other filings, however, should the Commission continue to find this information useful, SCE believes it would be better placed within quarterly PRG deep dive presentations, which already include position information, just not at the granularity provided in this report.	

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

CPUC's January 2015 Solicitation For Input on Certain Rules and Requirements

COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS

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March 27, 2015

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

CPUC's January 2015 Solicitation For Input on Certain Rules and Requirements

COMMENTS OF SOUTHERN CALIFORNIA GAS COMPANY (U 904-G) ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS

I.
INTRODUCTION

Southern California Gas Company (SoCalGas) respectfully submits these Opening Comments on the CPUC's January 28, 2015 Solicitation for Input (SFI) regarding possible revisions to certain rules and requirements applicable to California public utilities. Commission staff undertook a review of the Commission's existing General Orders (GOs) and reporting requirements in order to identify those that may be out of date and ripe for updating via amendment or deletion due to, e.g., changes in technology and markets, changes in state and federal jurisdiction, changes in the Commission's mission, and changes in circumstances due to the passage of time. Commission staff seeks comment on the merits of its proposals concerning individual rules and requirements, as well as the processes and procedures the Commission may wish to follow in order to update them. SoCalGas offers (1) general comments on the processes and procedures the Commission may consider in updating these reporting requirements, (2) comments for the Commission's consideration on certain items[1] listed in the SFI, as well as (3) additional reports not already listed that might be ripe for modifying, eliminating or consolidating.[2]

[1] SoCalGas does not have comments on the other items listed in the SFI at this time.
[2] For those gas reports that relate to both SoCalGas and San Diego Gas & Electric (SDG&E), SoCalGas offers comments on behalf of both utilities in order to eliminate redundancy of these discussions in SDG&E's comments. Please refer to SDG&E's comments for further discussion regarding SoCalGas' authority to act on SDG&E's behalf in this matter.

II.
FORUM FOR UPDATING RULES AND REQUIREMENTS

SoCalGas thanks the Commission for its efforts to update rules and requirements that may be redundant or unnecessary due to the passage of time or changes in circumstances. For open proceedings, SoCalGas recommends that proposals for changes in reports required in each such proceeding be made pursuant to the Commission Rules for Petition For Modification (PFM).

For the reports required by Commission decisions adopted in proceedings, which are now closed, rather than re-open such proceedings, SoCalGas recommends the Commission consider eliminating or modifying the reporting requirements set forth in those proceedings using the Commission's advice letter process. For those reports currently being considered for elimination in this SFI, SoCalGas recommends one consolidated or omnibus Tier 3 Advice Letter process. Email noticing could be sent to those on the SFI service list, as well as to the service list(s) of the particular proceedings, where such reports were ordered. In many of these cases, SoCalGas does not necessarily deem a comment period necessary, but in such case would recommend a shortened 10 business day comment period and 5 business day reply. In future proceedings where the Commission may order reports, SoCalGas suggests, rather than order a report to be produced indefinitely, the Commission order in all such decisions that such reports sunset after a defined period, unless otherwise continued by the Commission under the Tier 3 Advice Letter process. SoCalGas suggests using the Tier 3 Advice Letter process because it requires a Commission decision.

Furthermore, SoCalGas suggests that the Commission consider repeating the process of reviewing reporting requirements in an omnibus forum every five years. The five-year review cycle would not preclude modification of rules and requirements in the interim, but would put in place a process to periodically re-examine the need and practicality of such reports.

III.
SOCALGAS COMMENTS ON SFI RULES AND STAFF PROPOSALS

A. SoCalGas (and SDG&E) System Expansion Study[3]

i. Description: Every three years, SoCalGas/SDG&E prepare a system expansion study pursuant to a settlement adopted in 2007 (D.07-12-019).[4] The value or need

[3] SoCalGas provides comments on behalf of both SoCalGas and SDG&E.

of this report is unclear as the Settlement expired in 2012, and SoCalGas/SDG&E have a separate approved expansion methodology.[5]

ii. SFI Category: Passage of Time: Continued Relevance

iii. Staff Proposal: The Commission should eliminate this filing requirement.

iv. SoCalGas Proposal: SoCalGas agrees with Staff's proposal to eliminate this filing requirement, as this requirement no longer remains relevant to current Commission activities. SoCalGas/SDG&E are not aware of instances where the Commission or any third party has used or referenced the above identified expansion reports filed thus far. No party has approached SoCalGas/SDG&E with questions about information presented in the reports, neither has any party requested to undertake those expansion projects. Furthermore, SoCalGas and SDG&E are able to more efficiently evaluate specific expansion reports upon request. The expansion costs set out in these reports are only relevant for the expansion volumes and locations analyzed. As the Commission found, the utilities cannot evaluate every permutation, and it makes little sense for the utilities to evaluate arbitrary expansions where the market has not indicated any interest. This is true for both receipt point and storage product expansions.

Furthermore, the Commission provided in its infrastructure decisions[6] a means to provide effective, efficient, and relevant expansion analyses, namely to: produce analyses with detailed cost estimates on request, in a reasonable amount of time, at a reasonable cost. Costs for these analyses are the requestor's obligation, as would be any infrastructure improvements identified as necessary by the analyses. These studies produce a specified fit for what the requestor or market is seeking, rather than performing a random expansion analysis for regulatory reporting

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[4] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/76171.PDF

[5] Methodology pursuant to D.04-09-022 and D.06-09-039.

[6] Decision (D.) 04-09-022 established capacity contract approval procedures, noting that "LNG suppliers will pay the actual system infrastructure costs associated with their projects", including "costs to interconnect with the utilities' pipelines" (page 3,4). D.06-09-039 found SoCalGas' backbone capacity adequate. The decision also found that for "potential receipt point expansion, the appropriate balance is one where the utilities are not required to maintain and continually update the estimated cost of various expansion options, but are obligated to produce detailed cost estimates on request, in a reasonable amount of time, at a reasonable cost" (page 172).

purposes that appear to provide little value. SoCalGas and SDG&E have utilized this direction from the Commission in evaluating access for new or expanded California produced gas supplies, as well as expansion of interstate receipt points.

v. Regulatory Process/Forum Proposal: As set out above, SoCalGas recommends that updating or eliminating this reporting requirement should be addressed an omnibus Tier 3 Advice Letter process. It does not appear necessary to include a comment period to eliminate this reporting requirement; however, if the Commission includes a comment period, SoCalGas recommends a shortened 10 business day comment period.

B. GO 28 Records Preservation Requirements

i. Description: This GO details record preservation requirements and was originally issued in 1912, and "reissued" in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO.[7]

ii. SFI Category: Passage of Time: Technological Change and Industry Best Practices and Administrative Follow-Up and Redundancy

iii. Staff Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, e.g., GO 65-A and GO 104-A.

iv. SoCalGas Proposal: SoCalGas supports Staff's proposal. As written, GO 28 requires indefinite retention of various records and allows the retention of a record to terminate only after the utility has requested and received approval from the CPUC. SoCalGas recommends that GO 28 should be updated to reflect the most current (August 2000) records preservation rules contained in the Code of Federal Regulations (CFR), Parts 125 and 225, which are published by Federal Energy Regulatory Commission (FERC). These sections of the CFR deal with the Preservation of Records, for entities subject to FERC jurisdiction and for natural gas companies, respectively. SoCalGas also recommends that the new or updated GO orders utilities to follow the retention schedule provided in any subsequent

[7] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/623.PDF

updates to applicable Parts of the FERC CFR Part 125[8] and Part 225[9]. The Commission already requires that the California utilities follow the FERC Chart of Accounts, thus it makes sense to rely on the retention schedule that is maintained by FERC and eliminate the redundancy of maintaining GO 28's retention schedule. See Appendix A for proposed changes to GO 28.

v. Regulatory Process: SoCalGas recommends the Commission consider the list of items recommended by staff to be changed in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

C. GO 65-A Monthly Financial and Operating Report

i. Description: GO-65A, dating from 1968, requires public utilities with gross operating revenues of at least $200,000 to file copies of their financial statements, and copies of their annual reports and statements to stockholders. All of this information is publicly available and easily accessible.[10]

ii. SFI Category: Passage of Time: Continued Relevance

iii. Staff Proposal: The Commission should eliminate this filing requirement.

iv. SoCalGas Proposal: SoCalGas agrees with staff's proposal to eliminate this filing requirement, as copies of published interim and annual financial reports filed with the Securities and Exchange Commission (SEC) are easily and publically accessible on the Sempra.com website.

v. Regulatory Process/Forum Proposal: SoCalGas recommends the Commission consider the list of items recommended by staff to be changed in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

D. GO 104-A Annual Reports by Public Utilities

i. Description: This GO requires the submission of an annual report by utilities under the Commission's jurisdiction. The GO provides details of when certain

[8] http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title18/18cfr125_main_02.tpl
[9] http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title18/18cfr225_main_02.tpl
[10] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/643.PDF

financial transactions require reporting. This GO was adopted in 1967.[11]

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. Staff Proposal: This GO should be reviewed to consider whether the financial triggers remain appropriate or should be re-set to account for inflation. Additionally, this GO should be compared with GO 28 and GO 65-A for overlap and potential consolidation into one General Order.

iv. SoCalGas Proposal: SoCalGas proposes to eliminate this filing requirement rather than revise or reset the financial triggers. Reporting requirements pursuant to GO 104-A section 2(a)(1) regarding related party transactions are already addressed in the financial reports prepared by the company annually pursuant to SEC rules.[12] The notes to the consolidated financial statements specifically address related party transactions. As noted previously, these reports are filed periodically with the SEC and are made publically available through the company website.

Furthermore, GO 104-A Section 2(a)(4) regarding reporting of transactions with affiliated entities/companies have been superseded by specific affiliate transaction rules.[13] The rules include reporting requirements related to purchase/sale of goods and services from/to affiliates. These reports are provided to Energy Division annually and are subject to periodic audit requirements included in the affiliate transaction rules.

v. Regulatory Process: SoCalGas recommends the Commission consider the list of items recommended by staff to be changed in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

E. GO 69-C Easements on Property of Public Utilities

i. Description: This GO permits public utilities to lease or encumber property provided either that the property is no longer used or useful in providing utility services to the public, or the lease or encumbrance will not interfere with the

[11] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/564.PDF
[12] Regulation S-K Item 404 (Subpart §229.404)
[13] D.93-02-019 pages 3-4

utility's ability to serve its customers. This GO states it is effective in 1985, but Commission records identify it as "Proposed General Order No. 69-C."[14]

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. Staff Proposal: This Commission should confirm that GO No. 69-C is final, has not been superseded, and remains in effect and, if so, update the Commission's official records to reflect its official adoption.

iv. SoCalGas Proposal: SoCalGas supports the Staff's proposal and, with the understanding that the language within GO 69-C is in effect, recommends that the GO be made final.

v. Regulatory Process/Forum Proposal: SoCalGas recommends this item be considered with the other items in an omnibus Tier 3 advice letter process. It does not appear necessary to have a comment period for this particular item since it is a confirmation that the GO is in effect rather than making changes to a reporting requirement.

IV.
SOCALGAS ADDITIONAL PROPOSALS

A. Gas Market OIR Report on Receipt Point Utilization of SoCalGas and SDG&E[15]

i. Description: SoCalGas prepares a biannual report on Receipt Point Utilization pursuant to Ordering Paragraph 4 of D.06-09-039 adopted September 21, 2006.[16] The report documents the extent to which shippers are (or are not) seeking access at levels above available capacity, as well as reasons why SoCalGas should (or should not) pursue receipt point expansion.

ii. SFI Category: Passage of Time: Continued Relevance and Administrative Follow-Up and Redundancy

iii. SoCalGas Proposal: SoCalGas proposes to eliminate this filing requirement as it is no longer relevant to current Commission activities and is already addressed elsewhere. No party has approached SoCalGas/SDG&E with questions about the graphs or data presented in the report, and is unaware of instances where the

[14] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/645.PDF
[15] SoCalGas provides comments on behalf of both SoCalGas and SDG&E.
[16] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/60237.PDF

Commission or third party has referenced the reports filed thus far. Secondly, SoCalGas Rule 39 addresses expansion of Receipt Point Capacity.[17] Any party may request an Interconnection Capacity Study, whereby SoCalGas is required to make a timely determination of the facilities and associated costs that are required to add the requested takeaway capacity in a non-discriminatory and transparent basis. SoCalGas and SDG&E are able to more efficiently evaluate specific expansion requests upon demand through this process. Finally, the Receipt Point Capacity included in the report is available through publicly accessible reports on SoCalGas' Electronic Bulletin Board (EBB).

iv. Regulatory Process/Forum Proposal: SoCalGas recommends the Commission consider the elimination of this reporting requirement in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

B. SoCalGas' Backbone Transportation Service (BTS) Quarterly Report

i. Description: SoCalGas prepares a quarterly report on BTS, formerly FAR Utilization pursuant to D.06-12-031.[18] As part of the utilities' FAR proposal, SDG&E and SoCalGas agreed to provide quarterly reports and to post-secondary market information on the EBB. The name of the acquiring shipper is provided, along with the parties' capacity.

ii. SFI Category: Passage of Time: Continued Relevance and Administrative Follow-Up and Redundancy

iii. SoCalGas Proposal: SoCalGas proposes to eliminate this filing requirement, as it no longer remains relevant to current Commission activities. SoCalGas and SDG&E are not aware of any market power issues where a BTS holder contracted for more than 30% of the capacity at any given receipt point. The 125% price cap in the secondary market and firm reservation charges have successfully ensured that a BTS contract holder cannot unduly profit from possible gaming as had

[17] Rule No. 39 Access to the SoCalGas Pipeline System; Section B Interconnection Capacity Studies governs expansion of Receipt Point Capacity; http://www.socalgas.com/regulatory/tariffs/tm2/pdf/39.pdf
[18] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/62982.PDF

occurred during the energy crisis. Furthermore, the secondary market information is posted on the EBB.

iv. Regulatory Process/Forum Proposal: SoCalGas recommends the Commission consider the elimination of this reporting requirement in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

C. Mover Services Program Report

i. Description: In compliance with Ordering Paragraph 8 in Resolution (Res.) G-3456 issued on October 6, 2011[19], SoCalGas maintains logs of complaints filed in reference to the Mover Services Program. Starting June 30, 2011, every June 30 and December 31 SoCalGas provides this log to the Energy Division.

ii. SFI Category: Passage of Time: Continued Relevance

iii. SoCalGas Proposal: SoCalGas proposes to decrease the frequency of this report to an annual basis rather than semi-annually. The utility receives a relatively small number of complaints per year (i.e. in 2014 SoCalGas reported a total 16 complaints). SoCalGas and its third party vendor fully address customers' complaints through dialogue or corrective action. The Commission has not ordered SoCalGas to take any additional action as it pertains to customer complaints.

iv. Regulatory Process/Forum Proposal: SoCalGas recommends the Commission consider modifying the frequency of this reporting requirement as described herein in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

D. Utility Expense and Compensation Reports (GO 77-M)

i. Description: GO 77-M[20] requires the utilities to file annual reports for expense and compensation data for the prior calendar year. The expense data is due March 31, whereas the compensation data is due May 31 of each year. For a

[19] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_RESOLUTION/145041.PDF
[20] http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/66148.htm

number of years the utilities have asked the CPUC's Executive Director for an extension of the March 31 report to align with the due date for the May 31 report. The Commission has granted all such requests.

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. SoCalGas Proposal: SoCalGas proposes that the Commission revise GO 77-M directing all such required reports to be due on the same date each year, May 31. This change will facilitate reducing the unnecessary burden of serving annual extension requests.

vi. Regulatory Process/Forum Proposal: SoCalGas recommends the Commission consider the list of items in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

V.
CONCLUSION

SoCalGas respectfully submits these comments for the Commission Staff's consideration.

DATED at Los Angeles, California, this 27th day of March, 2015.

Respectfully submitted,

By: /s/ Steven D. Patrick
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APPENDIX A: GO 28 PROPOSED REVISIONS

GENERAL ORDER No. 28

Public Utilities Commission of the State of California
IN THE MATTER OF THE PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND COMMON CARRIERS.
Approved September 10, 1912. Effective October 10, 1912. Reissued December 22, 1947.
(Annual Report, Railroad Commission, 1912-1913, pages 605,611)
~~(Reissued December 22, 1947)~~
(Reissued Month Day, 2015)

To all Public Utilities and Common Carriers ~~not subject to the jurisdiction of the Interstate Commerce Commission~~:
It is hereby ordered, That each and every public utility and common carrier subject to the jurisdiction of this Commission, ~~but not subject to the jurisdiction of the Interstate Commerce Commission~~ shall, from the date of ~~October 10, 1912~~ {DATE}, preserve all records, memoranda and papers in a manner consistent with the most current records preservation rules contains in the Parts 125 and 225 of the Code of Federal Regulations (CFR), as published and updated by the Federal Energy Regulatory Commission (FERC):

Title 18 → Chapter I → Subchapter C → Part 125: PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND LICENSEES, and

Title 18 → Chapter I → Subchapter F → Part 225 PART 225—PRESERVATION OF RECORDS OF NATURAL GAS COMPANIES

~~supporting each and every entry in the following general books of such public utilities and common carriers:~~
~~Voucher register or accounts payable ledger;~~
~~Accounts receivable register, or ledger inventories;~~
~~Vouchers and papers supporting all deeds and title papers;~~
~~Trial balances of all ledgers;~~
~~General and auxiliary ledgers;~~
~~General and auxiliary journals;~~
~~General and auxiliary cash books;~~
~~All cash papers and journal entries;~~
~~Capital Stock ledger, journal stubs and all records pertaining thereto;~~
~~Annual reports;~~
~~Minute books.~~
~~Also:~~
~~All records, contracts, estimates and memoranda pertaining to original cost of property and to Additions and Betterments.~~
~~All records pertaining to depreciation and replacement of equipment and plant.~~
~~In the event that different titles, or designations, from those named above are used, the records or memoranda similar in character and purpose to those mentioned above, shall be preserved.~~
~~The manner in which these records, memoranda and papers shall be preserved must be such that this Commission may readily examine the same at its convenience.~~

~~It is further ordered, That no records, memoranda or papers which come within the scope of this order shall be destroyed, except on the written authority of this Commission. In the application for such~~

~~authority full particulars must be stated, and complete reference made to the records, memoranda or papers to be destroyed.~~

By order of the Commission.
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
Dated: ~~December 22, 1947~~ {DATE}
State Building, San Francisco, California

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

CPUC's January 2015 Solicitation For Input on Certain Rules and Requirements

COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M) ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS

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March 27, 2015

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

CPUC's January 2015 Solicitation For Input on Certain Rules and Requirements

COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M) ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S SOLICITATION FOR INPUT ON CERTAIN RULES AND REQUIREMENTS

I.
INTRODUCTION

San Diego Electric & Gas Company (SDG&E) respectfully submits these Opening Comments on the CPUC's January 28, 2015 Solicitation for Input (SFI) regarding possible revisions to certain rules and requirements applicable to California public utilities. Commission staff undertook a review of the Commission's existing General Orders (GOs) and reporting requirements in order to identify those that may be out of date and ripe for updating via amendment or deletion due to, e.g., changes in technology and markets, changes in state and federal jurisdiction, changes in the Commission's mission, and changes in circumstances due to the passage of time. Commission staff seeks comment on the merits of its proposals concerning individual rules and requirements, as well as the processes and procedures the Commission may wish to follow in order to update them. SDG&E offers (1) general comments on the processes and procedures the Commission may consider in updating these reporting requirements, (2) comments for the Commission's consideration on specific items[1] listed in the SFI, as well as (3) additional reports not already listed that might be ripe for eliminating or consolidating.

SDG&E has a working relationship with Southern California Gas Company (SoCalGas) that entails the purchase and stores of natural gas for SDG&E's core customers being included within SoCalGas' portfolio of natural gas purchases and stores of natural gas. For those gas reports that relate to both SDG&E and SoCalGas, SDG&E has coordinated with and defers to SoCalGas' offered comments within this SFI in order to eliminate redundancy of these discussions.

[1] SDG&E does not have comments on other items listed in the SFI at this time.

II.
FORUM FOR UPDATING RULES AND REQUIREMENTS

SDG&E thanks the Commission for its efforts to update rules and requirements that may be redundant or unnecessary due to the passage of time or changes in circumstances. For open proceedings, SDG&E recommends that proposals for changes in reports required in each such proceeding be made pursuant to the Commission Rules for Petition For Modification.

For the reports required by Commission decisions adopted in proceedings which are now closed, rather than re-open such proceedings, SDG&E recommends the Commission consider eliminating or modifying the reporting requirements set forth in those proceedings using the Commission's advice letter process. For those reports currently being considered for elimination in this SFI, SDG&E recommends one consolidated or omnibus Tier 3 advice letter process. Email noticing could be sent to those on the SFI service list, as well as to the service list(s) of the particular proceedings, where such reports were ordered. In many of these cases, SDG&E does not necessarily deem a comment period necessary, but in such case would recommend a shortened 10 business day comment period and 5 business day reply. In future proceedings where the Commission may order reports, SDG&E suggests that rather than order a report to be produced indefinitely, the Commission order in all such decisions, that such reports sunset after a defined period, unless otherwise continued by the Commission using the Tier 3 Advice Letter process. Additionally, SDG&E suggests using the Tier 3 Advice Letter process because it requires a Commission decision.

Furthermore, SDG&E suggests that the Commission consider repeating the process of reviewing reporting requirements in an omnibus forum every five years. The five-year review cycle would not preclude modification of rules and requirements in the interim, but would put in place a process to periodically re-examine the need and practicality of such reports.

III.
SDG&E COMMENTS ON SFI RULES AND STAFF PROPOSALS

A. GO 28 Records Preservation Requirements

i. Description: This GO details record preservation requirements and was originally issued in 1912, and "reissued" in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as

identified in the GO.[2]

ii. SFI Category(s): Passage of Time: Technological Change and Industry Best Practices; Administrative Follow-Up and Redundancy, Changes in Federal or State Law or Jurisdiction

iii. Staff Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, e.g., GO 65-A and GO 104-A.

iv. SDG&E Proposal: SDG&E support Staff's proposal. As written, GO 28 requires indefinite retention of various records and allows the retention of a record to terminate only after the utility has requested and received approval from the CPUC. SDG&E recommends that GO 28 should be updated to reflect the most recently updated (August 2000) records preservation rules contained in the Code of Federal Regulations (CFR), Parts 125 and 225, that is published by Federal Energy Regulatory Commission. These sections of the CFR deal with the Preservation of Records, for entities subject to FERC jurisdiction and for natural gas companies, respectively. SDG&E also recommends that the new or updated GO states to follow the retention schedule provided in any subsequent updates to applicable Parts of the FERC CFR Part 125[3] and Part 225[4]. The CPUC already requires that California utilities follow the FERC Chart of Accounts, thus it makes sense to rely on the retention schedule that is maintained by FERC and shift the burden of maintaining this retention schedule to FERC. Please see Appendix A for proposed changes to GO 28.

v. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider the list of items in bulk in an omnibus Tier 3 Advice Letter proceeding and provide a shortened comment period of 10 days.

B. GO 52 Construction of power and communication lines to mitigate or prevent inductive interference

i. Description: GO-52, adopted in 1918 and amended in 1964, contains rules to govern the construction and operation of power and communication lines, subject

[2] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/623.PDF
[3] http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title18/18cfr125_main_02.tpl
[4] http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title18/18cfr225_main_02.tpl

to the jurisdiction of the Commission, in so far as that construction or operation applies to the prevention or mitigation of inductive interference.[5]

ii. SFI Category: Technological Change and Industry Best Practices.

iii. Staff Proposal: This GO is in need of updating to consider advancements in technology and improvements in the quality and safety of these lines.

iv. SDG&E Proposal: SDG&E supports the Staff's proposal.

v. Regulatory Process/Forum Proposal: SDG&E recommends that the Commission ask the GO 95 and GO 128 Rules Committee, in cooperation with the Safety Enforcement Division, to review and identify language within GO 52 that is still applicable and not included in either GO 95 or GO 128 and to then include such language into either GO 95 or GO 128 as appropriate and via the established processes to modify GO 95 and GO 128.

C. GO 65-A Monthly Financial and Operating Report

i. Description: GO-65A, dating from 1968, requires public utilities with gross operating revenues of at least $200,000 to file copies of their financial statements, and copies of their annual reports and statements to stockholders. All of this information is publicly available and easily accessible.[6]

ii. SFI Category: Passage of Time: Continued Relevance

iii. Staff Proposal: The Commission should eliminate this filing requirement.

iv. SDG&E Proposal: SDG&E agrees with staff's proposal to eliminate this filing requirement, as copies of published interim and annual financial reports filed with the Securities and Exchange Commission (SEC) are easily and publically accessible on Sempra.com website.

v. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating these reports in an omnibus Tier 3 Advice Letter proceeding and provide a shortened comment period of 10 days.

[5] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/640.PDF
[6] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/643.PDF

D. GO 104-A Annual Reports by Public Utilities

i. Description: This GO requires the submission of an annual report by utilities under the Commission's jurisdiction. The GO provides details of when certain financial transactions require reporting. This GO was adopted in 1967.[7]

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. Staff Proposal: This GO should be reviewed to consider whether the financial triggers remain appropriate or should be re-set to account for inflation. Additionally, this GO should be compared with GO 28 and GO 65-A for overlap and potential consolidation into one General Order.

iv. SDG&E Proposal: SDG&E proposes to eliminate this filing requirement rather than revise or reset the financial triggers. Reporting requirements pursuant to GO 104-A section 2(a)(1) regarding related party transactions are already addressed in the financial reports prepared by the company annually pursuant to SEC rules.[8] The notes to the consolidated financial statements specifically address related party transactions. As noted previously, these reports are filed periodically with the SEC and are made publically available through the company website.

Furthermore, GO 104-A Section 2(a)(4) regarding reporting of transactions with affiliated entities/companies have been superseded by specific affiliate transaction rules.[9] The rules include reporting requirements related to purchase/sale of goods and services from/to affiliates. These reports are provided to Energy Division annually and are subject to periodic audit requirements included in the affiliate transaction rules.

v. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter proceeding and provide a shortened comment period of 10 days.

[7] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/564.PDF
[8] Regulation S-K Item 404 (Subpart §229.404)
[9] D.93-02-019 pages 3-4

E. GO 69-C Easements on Property of Public Utilities

i. Description: This GO permits public utilities to lease or encumber property provided either that the property is no longer used or useful in providing utility services to the public, or the lease or encumbrance will not interfere with the utility's ability to serve its customers. This GO states it is effective in 1985, but Commission records identify it as "Proposed General Order No. 69-C."[10]

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. Staff Proposal: This Commission should confirm that GO No. 69-C is final, has not been superseded, and remains in effect and, if so, update the Commission's official records to reflect its official adoption.

iv. SDG&E Proposal: SDG&E supports the Staff's proposal and, with the understanding that the language within GO 69-C is in effect, recommends that the GO be made final.

v. Regulatory Process/Forum Proposal: SDG&E recommends this item be considered with the other items in an omnibus Tier 3 Advice Letter proceeding. It does not appear necessary to have a comment period for this particular item since it is a confirmation that the GO is in effect rather than making changes to a reporting requirement.

F. Utility Report: Quarterly and Annual Advanced Metering Infrastructure (AMI) Report

i. Description: As per Decision (D.)07-04-43, SDG&E shall submit quarterly and annual AMI reports detailing the progress of the AMI implementation.

ii. SFI Category: Passage of Time: Continued Relevance

iii. Staff Proposal: The Commission should eliminate this filing requirement.

iv. SDG&E Proposal: SDG&E supports the Staff's proposal. Having installed (and reported on) advanced metering for over 99% of SDG&E's customer base, SDG&E believes that the intended information available from this report has been reached.

[10] http://docs.cpuc.ca.gov/PUBLISHED/Graphics/645.PDF

v. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

IV.
SDG&E ADDITIONAL PROPOSALS

A. Quarterly Capital Structure Report

i. Description: As requested by the Energy Division per a letter dated January 23, 1989, SDG&E is required to provide a debt-rate analysis to the CPUC via a quarterly filing of a Capital Structure Report.

ii. SFI Category(s): Passage of Time: Continued Relevance; Administrative Follow-up and Redundancy.

iii. SDG&E Proposal: SDG&E proposes that this Report be eliminated as it contains data that is the same and/or comparable to data provided in other Report(s). Commission Decision (D.12-06-015 issued June 7, 2012), pertaining to utility long-term debt financing, requires utilities to file semi-annual reports showing receipts and disbursements from the sale of stocks, bonds, and other evidences of indebtedness. The information reported semi-annually per D.12-06-015 is similar to the data being reported quarterly within the Capital Structure Report.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

B. The San Diego Underground Surcharge Report

i. Description: As required by Ordering Paragraph 3 of Resolution E-3788 (issued December 19, 2002), SDG&E and the City shall submit a semi-annual report to the Director of the Energy Division on the progress of the underground conversion construction until such time that the conversion program is completed or the franchise fee is no longer collected.

ii. SFI Category(s): Passage of Time: Continued Relevance; Administrative Follow-up and Redundancy.

iii. SDG&E Proposal: SDG&E proposes that the data in this report should be deemed redundant and unnecessary. If, as SDG&E understands, this report is intended to assist the CPUC in tracking how much of the collected franchise fee surcharge is subsequently used for Overhead-to-Underground conversions, comparable and more granular data is and will continue to be provided to the city of San Diego, which is accessible to the CPUC.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

C. Rule 20 Reporting associated with overhead to underground conversions

i. Description: As per Opening Paragraph 4 in D.01-12-009, the utilities shall meet and confer and design a standardized reporting mechanism by which all utilities involved in Overhead (OH) to Underground (UG) conversion projects will keep data on each circuit, including the percentage of overhead and underground lines, what technology is used, and the age of the equipment, and file the data annually with the Commission's Energy Division.[11]

ii. SFI Category: Passage of Time: Continued Relevance

iii. SDG&E Proposal: SDG&E proposes to eliminate the Rule 20B and Rule 20C reporting requirements and to change the accounting basis of the data included in Report 20A to be based upon Construction Work In Progress (CWIP) accounting protocols.

1. Rule 20B and Rule 20C Reports:
   - The vast majority of Rule 20B and 20C projects are done as ancillary construction to new business under another tariff. As such, costs apportioned among tariffs, and in part reflect utility estimates of the portion of the work performed by the applicant and attributed to the tariff. Also, removals represent a disproportionately large amount of costs on these 20B and 20C projects and vary so widely that it's not feasible to use these costs for projection or analysis.

[11] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/11810.PDF

- All collectible amounts under Rule 20B and 20C are "net project costs", i.e. the values reflect expenses that of themselves are often an estimated percentage of a total budgeted project cost[12] comingling and netted of various credits as applicable[13]. As such, SDG&E questions the usefulness of the data contained in these two reports.

2. Rule 20A Reports:
   - SDG&E proposes that the following information and (CWIP Basis) accounting data will simplify both the preparation and use of the Rule 20A Report.
     a. Allocations for reporting year
     b. Project costs incurred in reporting year
     c. Current unspent allocations balance
     d. Total estimated costs to complete projects currently in construction

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider their list of items in bulk in an omnibus manner rather than re-open closed proceedings and provide a shortened comment period of 10 days.

D. GO 167: Enforcement of Maintenance and Operation Standards for Electric Generating Facilities

i. Description: GO 167, as modified by D.05-08-038, requires SDG&E to file an annual report with the Consumer Protection and Safety Division, the Oversight Board and the California Independent System Operator (CAISO). This report is to list each qualifying facility (QF) with which SDG&E had a contract for part of all of the prior calendar year and all the maintenance schedules, planned and

[12] Example of percent allocation: The total costs for an OH-to-UG conversion associated with building a new residential development will be only those additional costs beyond the development requirements to keep the overhead line beyond the development in service. Removal costs are those required to remove all overhead facilities, even those in areas where the underground is being installed in the development under another tariff.

[13] Examples of credits: The cost to design/build an overhead line segment is credited against the costs to design/build a 20B underground line segment.

unplanned outages, and daily operational status and availability data as such information is provided to SDG&E by the respective QFs.[14]

ii. SFI Category: Passage of Time – Continued Relevance; Administrative Follow-up and Redundancy.

iii. SDG&E Proposal: SDG&E proposes that these reporting requirements should be eliminated as they are no longer relevant and redundant with other reports. Many of the contracts SDG&E had with QFs have been terminated or converted to contracts with either Combined Heat & Power (CHP) facilities or renewable Power Purchase Agreements (PPAs) thus reducing the amount of reportable data within these reports. In addition, SDG&E provides comparable maintenance and operations type data to the CAISO for all contracted wholesale generation facilities thereby making the data reported via GO 167 requirement redundant with other reported data.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

E. Utility Report: Qualifying Facility & Cogeneration and Small Power Production Report

i. Description: A semi-annual report to inform the CPUC of the construction and operational status of the qualifying facilities & cogeneration/small power production facilities contracted with SDG&E.

ii. SFI Category: Passage of Time - Continued Relevance

iii. SDG&E Proposal: SDG&E proposes to eliminate this Report. The amount of information contained in this report has greatly diminished in recent years due to: 1) many of the QFs have and are transitioning to either combined heat and power contracts or renewable contracts and 2) only one new QF application has been received by SDG&E in the past twenty years.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

[14] http://docs.cpuc.ca.gov/word_pdf/GENERAL_ORDER/108114.pdf

F. SONGS Unit 1 Decommissioning Report

i. Description: SD&E currently submits a quarterly decommissioning report for SONGS Unit 1.

ii. SFI Category: Passage of Time: Technological Change and Industry Best Practices

iii. SDG&E Proposal: SDG&E proposes that the current SONGS Unit 1 Decommission Report should be incorporated, as applicable, into the SONGS Unit 2 and Unit 3 Decommission Report(s).

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report, and instead consolidate with other SONGS reports, using an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

G. Distributed Generation (DG) Interconnection Data

i. Description: SDG&E is required on a quarterly basis to provide data regarding DG interconnections, e.g. technology type, MW capacity, applicable incentives, and location. This information is submitted per an ongoing data request that was initiated in 2009.

ii. SFI Category: Administrative Follow-up and Redundancy.

iii. SDG&E Proposal: SDG&E proposes to discontinue this data request. Per D.14-11-001, information related to DG and Net Energy Metering (NEM) projects will be transferred from the California Solar Initiative (CSI) program to the NEM interconnection application process. As directed by Ordering Paragraph 2 of D.14-11-001, the information will be transferred to and housed by Energy Solutions.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this data requirement in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

H. Mover Services Program Report

i. Description: In compliance with Ordering Paragraph 8 in Resolution (Res.) G-3456 issued on October 6, 2011[15], SDG&E maintains logs of complaints filed in reference to the Mover Services Program. Starting June 30, 2011, every June 30 and December 31 SDG&E provides this log to the Energy Division.

ii. SFI Category: Passage of Time: Continued Relevance

iii. SDG&E Proposal: SDG&E proposes to decrease the frequency of this report to an annual basis rather than semi-annually. The utility receives a relatively small number of complaints per year (i.e. in 2014 SDG&E reported a total 14 complaints). SDG&E and its third party vendor fully address customers' complaints through dialogue or corrective action. The Commission has not ordered SDG&E to take any additional action as it pertains to customer complaints.

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider modifying the frequency of this reporting requirement as set out above in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

I. GO 131-D: Planning and construction of facilities for the generation of electricity and certain electric transmission facilities in California.

i. Description: In compliance with Ordering Paragraph 1 in D.06-09-003 issued September 7, 2006[16], SDG&E files a quarterly report on the status of transmission projects and generation interconnection projects.

ii. SFI Category: Passage of Time: Continued Relevance

iii. SDG&E Proposal: SDG&E proposes to decrease the frequency of this report to bi-annually rather than quarterly because major infrastructure projects do not develop at a rate that would warrant updates every three months. Significant changes to major infrastructure projects occur over an extended period of time, which can best be reflected in a bi-annual report.

[15] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_RESOLUTION/145041.PDF
[16] http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/59617.PDF

iv. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider modifying the frequency of this reporting requirement as set out above in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

J. Utility Expense and Compensation Reports (GO 77-M)

i. Description: GO 77-M[17] requires the utilities to file annual reports for expense and compensation data for the prior calendar year. The expense data is due March 31, whereas the compensation data is due May 31 of each year. For a number of years the utilities have asked the CPUC's Executive Director for an extension of the March 31 report to align with the due date for the May 31 report. The Commission has granted all such requests.

ii. SFI Category: Administrative Follow-Up and Redundancy

iii. SDG&E Proposal: SDG&E proposes that the Commission revise GO 77-M directing all such required reports to be due on the same date each year, May 31. This change will facilitate reducing the unnecessary burden of serving annual extension requests.

vi. Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider the list of items in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 business days.

K. Utility Report: Conservation Voltage Reduction (CVR) Report

v. Description: In compliance with Appendix C, Paragraph 4 of Decision 90405 issued June 6, 1979, and as updated per an Energy Division request dated December 5, 2006, SDG&E files an annual report that provides the status of distribution circuits relative to the CVR criteria specified in Appendix B of this same Decision.

vi. SFI Category: Passage of Time: Technological Change and Industry Best Practices; Passage of Time - Continued Relevance

[17] http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/66148.htm

vii. SDG&E Proposal: SDG&E proposes to eliminate this Report. The significant number of distributed energy resources (DERs) that have been integrated into the distribution system over the last thirty years, especially DERs that deliver power onto the distribution system, have impacted both the philosophy and technical ability of the utility to regulate voltage levels downstream of the substation. As a result, the value and usefulness of the information provided in this report is unclear.

Regulatory Process/Forum Proposal: SDG&E recommends the Commission consider eliminating this report in an omnibus Tier 3 Advice Letter process and provide a shortened comment period of 10 days.

V.
CONCLUSION

SDG&E respectfully submits these comments for the Commission Staff's consideration.

DATED at Los Angeles, California, this 27th day of March, 2015.

Respectfully submitted,

By: /s/ Steven D. Patrick
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APPENDIX A: GO 28 PROPOSED REVISIONS

GENERAL ORDER No. 28

Public Utilities Commission of the State of California
IN THE MATTER OF THE PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND COMMON CARRIERS.
Approved September 10, 1912. Effective October 10, 1912. Reissued December 22, 1947.
(Annual Report, Railroad Commission, 1912-1913, pages 605,611)
~~(Reissued December 22, 1947)~~
(Reissued Month Day, 2015)

To all Public Utilities and Common Carriers ~~not subject to the jurisdiction of the Interstate Commerce Commission~~:
It is hereby ordered, That each and every public utility and common carrier subject to the jurisdiction of this Commission, ~~but not subject to the jurisdiction of the Interstate Commerce Commission~~ shall, from the date of ~~October 10, 1912~~ {DATE}, preserve all records, memoranda and papers in a manner consistent with the most current records preservation rules contains in the Parts 125 and 225 of the Code of Federal Regulations (CFR), as published and updated by the Federal Energy Regulatory Commission (FERC):

Title 18 → Chapter I → Subchapter C → Part 125: PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND LICENSEES, and

Title 18 → Chapter I → Subchapter F → Part 225 PART 225—PRESERVATION OF RECORDS OF NATURAL GAS COMPANIES

~~supporting each and every entry in the following general books of such public utilities and common carriers:~~
~~Voucher register or accounts payable ledger;~~
~~Accounts receivable register, or ledger inventories;~~
~~Vouchers and papers supporting all deeds and title papers;~~
~~Trial balances of all ledgers;~~
~~General and auxiliary ledgers;~~
~~General and auxiliary journals;~~
~~General and auxiliary cash books;~~
~~All cash papers and journal entries;~~
~~Capital Stock ledger, journal stubs and all records pertaining thereto;~~
~~Annual reports;~~
~~Minute books.~~
~~Also:~~
~~All records, contracts, estimates and memoranda pertaining to original cost of property and to Additions and Betterments.~~
~~All records pertaining to depreciation and replacement of equipment and plant.~~
~~In the event that different titles, or designations, from those named above are used, the records or memoranda similar in character and purpose to those mentioned above, shall be preserved.~~
~~The manner in which these records, memoranda and papers shall be preserved must be such that this Commission may readily examine the same at its convenience.~~

~~It is further ordered, That no records, memoranda or papers which come within the scope of this order shall be destroyed, except on the written authority of this Commission. In the application for such~~

~~authority full particulars must be stated, and complete reference made to the records, memoranda or papers to be destroyed.~~

By order of the Commission.
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
Dated: ~~December 22, 1947~~ {DATE}
State Building, San Francisco, California

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Policy and Planning Division's Solicitation for Input Into What Revisions, If Any, Should Be Made to Certain Rules and Requirements Applicable to Public Utilities in California	CPUC-January 2015 SFI (Issued January 28, 2015)

COMMENTS OF THE UTILITY REFORM NETWORK ON POLICY & PLANNING DIVISION'S JANUARY 2015 SOLICITATION FOR INPUT

March 27, 2015

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COMMENTS OF THE UTILITY REFORM NETWORK ON POLICY & PLANNING DIVISION'S JANUARY 2015 SOLICITATION FOR INPUT

I. INTRODUCTION

On January 28, 2015, the Commission's Policy & Planning Division Staff issued a Solicitation for Input (SFI) on Staff's preliminary list of General Orders (GOs) and reporting requirements that may be ripe for revision, as well as staff's "draft conceptual proposals for updating these rules and requirements for potential consideration and action by the Commission."[1] Staff seeks "comment on the substantive merits of updating each rule, as well as the best processes for the Commission to follow."[2] This SFI is a novel procedural vehicle used by the Commission. For this reason, the SFI goes to some length to explain what it is and what it is not. The SFI clarifies that its purpose is to "inform the nature and scope of future proceedings that the Commission may institute in order to update the rules and requirements applicable to entities under the Commission's jurisdiction."[3] More specifically, the SFI explains that comments received "will help inform the Commission's decisions concerning: whether to open a rulemaking, what the scope of the rulemaking should be, and the nature of comments and proposals sought from parties to any eventual rulemaking."[4] According to Staff, "This SFI is an opportunity for the staff to ask questions and receive informal comments form the public. It is not a rulemaking and the Commission will not issue a decision based solely on the comments received in this SFI."[5]

Pursuant to the SFI, The Utility Reform Network (TURN) hereby submits these

[1] SFI, p. 2.
[2] SFI, p. 3.
[3] SFI, p. 2.
[4] SFI, p. 3.
[5] SFI, p. 3.

comments. TURN's primary response is that Staff's proposals should be considered in a formal Commission rulemaking proceeding, not this new informal process. TURN additionally responds to Staff's proposal to eliminate certain filing requirements in GO 65A, 152A, and related to the FCC's ARMIS Reports, proposing instead that the Commission consider whether to modify but not eliminate those requirements.

II. STAFF'S PROPOSALS SHOULD BE CONSIDERED IN A RULEMAKING PROCEEDING, NOT AN INFORMAL "SFI" PROCESS.

TURN fully appreciates Staff's efforts to identify GOs and reporting requirements that may be out of date and ripe for updating due to changes in law, technology, industry best practice, redundancy, or relevance in light of the Commission's jurisdiction and mission today.[6] However, the stakeholder input Staff seeks through this SFI would more appropriately be solicited once the Commission issues an Order Instituting Rulemaking (OIR). Initiating the instant inquiry with an OIR provides several benefits, including:

- It provides clear notice to all affected parties that the Commission is inquiring into the stated topics;
- It triggers established procedures for notice (e.g., publication in the daily calendar) and service list creation;
- It signals sufficient interest by the Commissioners in the issue to devote Commission and party resources to the stated topics; and
- It clarifies the applicable rules for intervenor compensation, so that intervenors can make decisions about their participation in the process with those rules in mind.

The recent GRC/Safety OIR (R.13-11-006) provides a useful model for incorporating a Staff-led informal process into a formal proceeding to permit staff to hear interested parties' ideas about the topics in question. Notably, that effort began with an OIR that was Staff-driven

[6] *See* SFI, p. 4.

in the early stages. Staff-led workshops and a Staff-led Straw Proposal process served as an opportunity for all interested parties to come together and share ideas and proposals in an informal way that did not require significant engagement from the ALJ Division. Then, after that informal effort had ripened into a more concrete proposal, that proposal became the subject of a more formal ALJ-led comment cycle and proposed decision. As the GRC/Safety OIR impressively demonstrated, a "formal" proceeding can use informal, Staff-led procedures to streamline and focus the Commission's efforts.

A similar approach could be used by Staff "to ask questions and receive informal comments from the public"[7] about updating certain GOs and reporting requirements to reflect modern laws, technologies, and circumstances. Just as happened in the GRC/Safety OIR, once a proposal emerges from the informal process, a Scoping Ruling could issue that shapes the procedure for the remainder of the case. Moreover, using an OIR would permit Staff to take advantage of procedures and vehicles (such as officially maintained service lists) that have been developed over time to ensure that all potentially interested parties have transparent access to, and ability to participate in, the informal discussion.

On the other hand, the instant SFI process – while seemingly simple in its informality – creates unique challenges for stakeholders, particularly smaller parties who rely on intervenor compensation to fund their participation in work before the Commission. Such parties may be put to the difficult decision of whether they can afford to participate in a potentially time-consuming process that may never ripen into a formal proceeding. (As a general matter, intervenor compensation is only available in relation to proceedings that are resolved by the issuance of a Commission decision.) This is a concern for TURN, but would likely be a particular problem for intervenors who are smaller and less well-established than TURN.

[7] SFI, p. 3.

Moreover, the fact that the SFI process is occurring without any nexus to a formal Commission proceeding raises the risk that work here may never amount to anything. The Commissioners may determine that agency resources should be devoted to more pressing issues, despite Staff's thoughtful efforts to identify GOs and reporting requirements suitable for updating. In contrast, if Commissioners are interested enough in a topic to issue an OIR, intervenors are more likely to feel that their time and efforts are a worthwhile expenditure of limited resources.

For all of these reasons, TURN has devoted only minimal resources to reviewing the proposals contained in Staff's SFI. Should the Commission eventually issue an OIR to examine potential modifications to these or other GOs and reporting requirements, TURN hopes to participate more actively in that forum to the extent the issues raised impact the industries we focus on (and consistent with our available resources at that time).

III. TURN DISAGREES WITH STAFF'S PROPOSALS TO ELIMINATE SEVERAL FILING REQUIREMENTS.

TURN recommends that the Commission consider revisions to, rather than the elimination of, three requirements identified by Staff as appropriate for elimination.

A. Requirement to File Financial Statements, Annual Reports, and Statements to Stockholders in GO 65A

Staff points to the requirement in GO 65A that public utilities of a certain size file copies of their financial statements, annual reports, and statements to stockholders with the Commission. Staff presumes that "[a]ll of this information is publicly available and easily accessible" in concluding that the Commission should eliminate this filing requirement.[8] However, the extent to which this information is truly publicly available *and easily accessible* may depend on whether public utilities post this information on their websites. For this reason,

[8] SFI, p. 11.

TURN recommends that the Commission explore whether to modify this requirement to exempt those public utilities that post their financial statements, annual reports, and statements to stockholders on their websites, rather than eliminating the filing requirement outright. TURN supports Staff's suggestion that GO 65A might reasonably be consolidated with GO 104A.[9]

B. Requirement to File Quarterly Reports Concerning Telephone Companies' Private Alarm Services in GO 152A

Staff recommends that the Commission eliminate the requirement in GO 152A that telephone companies file quarterly reports concerning their private line alarm services, pointing to the "dwindling number of customers taking such services."[10] Staff further recommends that this GO be "reviewed to consider [its] applicability and usefulness considering changes in the technology, services, and any regulatory or legislative changes."[11] TURN agrees that this GO is ripe for updating, given changing circumstances, but we believe it is premature to consider eliminating the quarterly reports altogether. Rather, TURN recommends that the Commission consider whether the contents of the reports should change. For instance, the Commission may conclude that telephone companies should no longer be required to report quarterly on their installation performance levels, while also finding that quarterly reporting on trouble tickets and repair responses remains relevant to the Commission's oversight over service quality on copper lines.

C. Requirement to File Annual Utility Reports Pursuant to the FCC's ARMIS Reports

Staff proposes the elimination of the current Commission requirement that some carriers annually file detailed financial information pursuant to the FCC's ARMIS Reports. Staff's

[9] SFI, p. 13.
[10] SFI, p. 11.
[11] SFI, p. 10.

rationale is that the FCC has stopped requiring carriers to file these reports and their preparation is time consuming. However, notably absent from Staff's analysis is the consideration of whether some or all of the currently provided data is useful to the Commission as it carries out its authority over these carriers. Indeed, the Commission still fully regulates a number of small local exchange carriers in California. And while the Commission has chosen to "forbear" from regulation for several of the larger voice carriers in the state, that does not mean that the Commission has lost its investigative powers or ability to re-regulate if the need arises.

The ARMIS data reports, like the GO 152A reports, provide information that, at least in part, continues to be germane to the Commission's regulatory responsibilities. As such, TURN posits that the ripe questions for Commission consideration are which ARMIS data should continue to be provided, and whether such data should continue to be provided annually, at less frequent regular intervals, or only upon request.

IV. CONCLUSION

TURN appreciates the efforts of Policy & Planning Division Staff to examine the GOs and other Commission requirements applicable to California public utilities in service of Governor Brown's agency modernization project.[12] Those efforts should result in the issuance of an OIR, rather than the instant SFI, to encourage and support broad public participation as the Commission considers changes to certain rules and requirements that appear to be outdated and potentially appropriate for updating.

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[12] *See* SFI, pp. 2-3.

Date: March 27, 2015

Respectfully submitted,

By: _____/s/_____
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March 27, 2015

U-1002-C

Ms. April Mulqueen
Policy and Planning Division
California Public Utilities Commission
505 Van Ness Avenue, 5th Floor
San Francisco, CA 94102

Subject: ***CPUC-January 2015 SFI***

Dear Ms. Mulqueen:

This is the response of Verizon Communications to Staff's Solicitation for Input of January 28, 2015. Verizon applauds staff's efforts to streamline outdated requirements, eliminate duplicative reports, and revise or delete rules that may no longer be relevant. As a communications service provider, Verizon limits its comments to General Orders and requirements that impact communications services. Verizon supports the elimination of reports identified by staff, supports updating several General Orders and proposes some additional reports for elimination and General Orders for updating.

Verizon supports staff's proposal to eliminate the following reports, as these reports have either been eliminated by the FCC, are about services with a dwindling number of customers or are publically available: FCC's ARMIS Reports 43-01, 43-02, and 43-03 because they have been eliminated by the FCC; GO 152-A quarterly reports private line alarm services because of the dwindling number of customers; and GO-65A financial statements and annual reports and statements to stockholders because these are publicly available.

Verizon also proposes the following reports for elimination:

<u>FCC's ARMIS Reports 43-07 and 43-08</u>. These reports were discontinued by the FCC, serve no meaningful purpose and therefore should be eliminated. ARMIS Report 43-07 includes switch and line counts, copper and fiber sheath kilometers and loop plant. ARMIS 43-08 includes line and trunk counts, call count, billed minutes of use, kilometers of conduit, aerial cable and underground cable, as well as number of poles. If needed on an ad hoc basis, staff could request current information through a data request.

GO-77M. This G.O requires cost-of-service utilities to file data on certain employee compensation, dues, donations, subscriptions, contributions and legal fees. As a result of having been cost of service carriers in the past, URF carrier are still subject to these anachronistic monopoly-era requirements. Utilities under the Commission's jurisdiction must file an annual report that includes the names, titles and duties of all employees other than officers who received compensation at the rate of $125,000 or more per annum, and the compensation received by each such employee. Consistent with the fact that other classes of utilities have become exempt once they were no longer rate regulated, URF carriers should no longer be subject to this reporting requirement as they are no longer subject to cost of service rate regulation either. Moreover, there is no evidence that these reports are used in any meaningful manner or that any purported use could not be handled on an ad hoc data request basis.

GO 107-B: Telephone Wire Tap Report & Practice Assurance Report: Adopted in 1983, GO 107-B requires annual reporting of any wiretaps or listening devices found by Verizon personnel. Verizon has not reported any devices for many years and proposes elimination of this report.

Verizon also supports reviewing and updating the following General Orders identified by Staff.

GO 52. Construction and operation of power and communication lines for the prevention or mitigation of inductive interference: New technology such as solar equipment should be added.

GO 28. Preservation of records of public utilities and common carriers: GO 28 should be reviewed for relevance, changes in technology, and consolidation with other GOs. This GO details record preservation requirements and was originally issued in 1912, and "reissued" in 1947. All public utilities and common carriers are required to preserve certain financial records, contracts, and memoranda, as identified in the GO. Proposal: This GO is ripe for review to consider relevance, changes in technology, and consolidation with other GOs, *e.g.*, GO 65-A and GO 104-A.

GO 104-A. Filing of annual reports by public utilities, Affiliate Transactions: Verizon agrees with staff that this GO should be reviewed to consider whether the financial triggers remain appropriate and for possible consolidation.

In addition, the Commission should consider updating GO 138. GO 138 addresses the connection of customer-provided equipment to telephone company systems. This GO was adopted in 1975 and last updated in 1977 and should be updated to consider advancements in technology and improvements in the quality and safety of these lines.

Respectfully submitted,

Kurt Rasmussen
Vice President
Government Relations