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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Rulemaking 18-07-006

ASSIGNED COMMISSIONER'S AMENDED SCOPING MEMO AND RULING

This amended scoping memo and ruling sets forth the category, issues to be addressed, and schedule of the proceeding pursuant to Public Utilities (Pub. Util.) Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure. This amended scoping memo and ruling extends the statutory deadline for this proceeding and sets out a schedule for completion of the proceeding.

1. Procedural Background

On July 12, 2018 the Commission instituted this rulemaking to develop a common understanding and methods and processes to assess, consistent with Commission jurisdiction, the impacts on affordability of individual Commission proceedings and utility rate requests. Comments on the Order Instituting Rulemaking (OIR) were filed by several parties on August 13, 2018.

A prehearing conference (PHC) was held on October 12, 2018 to discuss the issues of law and fact and determine the need for hearing and schedule for resolving the matter. After considering the comments on the OIR and discussion at the PHC, an Assigned Commissioner's Scoping Memo and Ruling (scoping memo) was filed on November 19, 2018.

On January 22, 2019, a workshop was held in this proceeding to explore definitions and metrics for affordability. Commission Staff from various industry divisions made presentations on different approaches the Commission has previously taken to address and measure affordability. Experts on affordability issues also made presentations regarding defining and measuring affordability. Participants were invited to participate in one of the three smaller breakout discussion groups: (1) defining affordability and essential service, (2) identifying metrics and data sources to measure affordability and determine essential service, and (3) usefulness/application of the affordability framework.

Subsequently, rulings were issued by the assigned Administrative Law Judge (ALJ) seeking comment from parties on presentations made at the January 22, 2019 workshop and on a staff proposal to address the issues within the scope of the proceeding as identified by the scoping memo. Party comments on the workshop presentations and the staff proposal were received in May and September 2019, respectively.

This Amended Assigned Commissioner's Scoping Memo and Ruling (amended scoping memo) is filed to address the impending statutory deadline for resolving this proceeding, revise the schedule for the remainder of the proceeding, and clarify the nature of the services within the scope of this proceeding.

2. Issues

The issues to be determined are:

1. Identification and definition of affordability criteria for Commission-jurisdictional utility services.
2. Methods and processes for assessing affordability impacts across Commission proceedings, programs, and utility services.

3. Other issues relating to the Commission’s consideration of the affordability of utility services.

This amended scoping memo confirms that communications services, such as broadband internet access, are included within the scope of this proceeding. This amended scoping memo finds that Pub. Util. Code Sections 709, 280, 281, 275.6, and the Moore Act all demonstrate that the Legislature contemplated a significant role for the Commission in closing the digital divide in California and bringing advanced communications services, including broadband internet access, to all Californians. This proceeding may assist in that goal.

The issues specifically determined by the scoping memo to be outside the scope of this proceeding are confirmed to be outside of the scope of this proceeding by this amended scoping memo.

3. Need for Evidentiary Hearing

As found in the scoping memo, this amended scoping memo affirms the Commission’s preliminary determination that evidentiary hearings are not needed. As stated in the OIR, the Commission intends to conduct this proceeding using notice and comment Rulemaking procedures. This does not preclude a party from requesting an evidentiary hearing in the future if material disputed facts are discovered during the pendency of this proceeding.

4. Schedule

The following schedule is adopted here and may be modified by the ALJ as required to promote the efficient and fair resolution of the Rulemaking:

Revised staff proposal filed and served	January 22, 2020
Opening comments received on revised staff proposal	February 21, 2020
Reply comments received on revised staff proposal	March 6, 2020
Proposed decision	May 2020
Commission decision	June 2020

The proceeding will stand submitted upon the filing of reply comments, unless the ALJ requires further comment. Based on this schedule, the proceeding will not be resolved within 18 months as required by Pub. Util. Code § 1701.5. The reasons for this are the complexity involved in determining metrics to evaluate the affordability of a variety of services, and the need to submit a revised staff proposal for party review and comment before a Commission decision in this proceeding. The statutory deadline for this proceeding is therefore extended up to and including June 25, 2020.

5. Category of Proceeding/*Ex Parte* Restrictions

This ruling confirms the Commission's preliminary determination and the scoping memo's determination that this is a quasi-legislative proceeding. Accordingly, *ex parte* communications are permitted without restriction or reporting requirement pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

6. Oral Argument

Unless comment is waived pursuant to Rule 14.6(c)(2) for granting the uncontested relief requested, motion for oral argument shall be by no later than the time for filing comment on the proposed decision.

7. Public Outreach

Pursuant to Pub. Util. Code § 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter by noticing it in the August 2018 edition of the Commission's monthly "Working for California" newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website. The Commission's Business and Community Outreach Office also sent an information release and link to the proceeding to approximately 2,500 contacts statewide, including local

government (*e.g.*, county supervisors, city managers, mayors, and public works directors in the state), community-based organizations, and media.

In addition, the Commission served the OIR on certified Community Choice Aggregators; service lists of 32 energy, water, and telecommunications proceedings; the Governor's Office of Planning and Research; the California Energy Commission; the California Air Resources Board; the Department of Water Resources; and the State Water Resources Control Board.

8. Intervenor Compensation

Because this amended scoping memo does not set out new issues for consideration in this proceeding, the deadline for filing notices of intent to file for intervenor compensation is not reset by this amended scoping memo.

9. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at 866-849-8390 or 415-703-2074 or 866-836-7825 (TYT), or send an e-mail to public.advisor@cpuc.ca.gov.

10. Service of Documents on Commissioners and Their Personal Advisors

Rule 1.10 requires only electronic service on any person on the official service list, other than the ALJ. The ALJ requests only electronic service in this proceeding. Parties must not send hard copies of documents to the ALJ unless specifically instructed to do so.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide

electronic service. Parties must NOT send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

11. Assignment of Proceeding

Clifford Rechtschaffen is the assigned commissioner and Patrick Doherty is the assigned ALJ for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is described above.
2. The schedule of this proceeding is as set forth above.
3. Evidentiary hearings are not needed.
4. The category of the proceeding is quasi-legislative.

Dated November 8, 2019, at San Francisco, California.

/s/ CLIFFORD RECHTSCHAFFEN
Clifford Rechtschaffen
Assigned Commissioner