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APPENDIX A

PACIFIC GAS AND ELECTRIC COMPANY
CHAPTER 1
ATTACHMENT A
MEMORANDUM OF UNDERSTANDING

**MEMORANDUM OF UNDERSTANDING
BETWEEN AND AMONG
THE UTILITY REFORM NETWORK,
CENTER FOR ACCESSIBLE TECHNOLOGY,
THE PUBLIC ADVOCATES OFFICE,
AND
PACIFIC GAS AND ELECTRIC COMPANY
ON
PG&E’S CUSTOMER SERVICE OFFICES CLOSURE AND TRANSFORMATION
PROPOSAL**

The Utility Reform Network (“TURN”), the Center for Accessible Technology (“CforAT”), and the Public Advocates Office (“Cal Advocates”), and Pacific Gas and Electric Company (“PG&E”) (collectively, the “Parties”) hereby enter into this Memorandum of Understanding (“MOU”) pertaining to PG&E’s Customer Service Offices (“CSO”) Closure and Transformation Proposal.

**ARTICLE 1
RECITALS**

1.1 On or about April 28, 2022, PG&E will file with the California Public Utilities Commission (the CPUC or the Commission) its CSO Closure and Transformation Proposal and Application in which PG&E will seek to close its 65 CSOs and transition its CSO employees’ scope of work to other customer-supporting tasks, including, but not limited to, to conducting targeted outreach to vulnerable customers via outbound calls, case management support, and community-based organization (“CBO”) engagement. This is a continuation of work PG&E’s CSO employees began in 2020 following the temporary closure of the CSOs due to the COVID-19 pandemic.

1.2 TURN is a statewide consumer advocacy nonprofit organization that promotes policies and utility actions that provide affordable electric and gas service, promote least-cost green energy solutions, support public input into decision-making, and enhance accountability of regulators and utilities. CforAT is a nonprofit organization that represents utility customers with disabilities and medical vulnerabilities; these customers are disproportionately low-income, and are also highly reliant

on affordable and reliable energy service to power assistive technology and support independent living. Cal Advocates is the independent consumer advocate at the CPUC whose mission is to advocate for the lowest possible bills for customers of California’s regulated utilities consistent with safety, reliability, and the state’s environmental goals.

1.3 In PG&E’s 2020 General Rate Case (“GRC”), many parties, including the other Parties to this MOU entered a multi-party settlement agreement that was approved by the Commission in its Decision (“D.”) 20-12-005. The settling parties agreed that PG&E could close ten of its CSOs. PG&E submitted Advice 4358-G/6024-E in January 2021 to close the Auburn, Colusa, Davis, Kerman, Lakeport, Livermore, Oakhurst, Sanger, Walnut Creek, and Wasco CSOs.

1.4 In March 2020, in response to the COVID-19 pandemic, PG&E temporarily closed all of its CSOs to protect the safety of its customers and employees.¹

1.5 During meetings in early 2022, PG&E provided the other Parties an update on the bill payment behavior of customers who used the CSOs prior to the pandemic and the impacts of its CSO outbound call campaign pilot. PG&E requested and received feedback from the other Parties on opportunities to improve its CSO outreach, including how to best notify customers of the CSO closures, alternative methods of paying their bills, and to address the needs of our Access and Functional Needs (“AFN”) customers. These discussions led to the current MOU.

1.6 PG&E’s 2023 GRC includes a forecast for continued operation of 65 CSOs.²

ARTICLE 2

TERMS

2.1 CSO Closure and Transformation Proposal

2.1.1 The Parties do not oppose PG&E’s request to permanently close its 65 CSOs and continue using its CSO employees to conduct targeted outreach to its most vulnerable customers.

2.1.2 PG&E’s CSO workforce, in collaboration with CBOs that are compensated to provide customers financial assistance support and that are trained on PG&E’s financial assistance programs, will proactively call customers in arrears to help them reduce their past due balances and better manage their bills including enrolling them in ratepayer assistance programs including but not limited to Energy Savings Assistance Program (“ESA”), California Alternative Rates for Energy (“CARE”), Family

¹ Governor Newsom declared a state of emergency due to the COVID-19 pandemic in March 2020.

² This MOU does not address the reasonableness of PG&E’s GRC forecast for continued operation of 65 CSOs.

Electric Rate Assistance (“FERA”), the Arrearage Management Plan (“AMP”), and Medical Baseline. Outreach will also include general information on other utility assistance programs.

2.1.3. PG&E’s CSO workforce will also help customers access financial assistance through the Low-Income Home Energy Assistance Program (“LIHEAP”) and Emergency Rental Assistance Program (“ERAP”) as well as any additional utility affordability and debt relief assistance programs that may be adopted by state and federal authorities.

2.1.4. Outreach by PG&E’s CSO workforce will also inform customers about the opportunity to self-identify as having AFN. Customers that self-identify will be provided information on PG&E’s AFN-targeted customer resiliency programs (e.g., Portable Battery Program) to ensure that they have options available during long-duration outages. Customers will also be informed of Public Safety Power Shutoff (“PSPS”) notification protocols and outreach initiatives regarding wildfire and/or de-energization risks for AFN customers as outlined in PG&E’s 2022 Wildfire Mitigation Plan (“WMP”) or otherwise required by the California Office of Energy Infrastructure Safety or CPUC.. Outreach will be provided in accessible formats which includes key information in large print in all printed materials and accessible formats upon request including large print, Braille, and audio formats. For customers who are identified in PG&E’s database as using Relay calls or TTY service, outgoing calls will be made in the customer’s preferred format.

2.1.5 PG&E will provide customers with a callback number for a new, dedicated PG&E phone line for the services listed in Sections 2.1.2, 2.1.3, and 2.1.4 which will connect them to a CSO representative for further questions.

2.1.6 PG&E’s CSO workforce will engage with non-English speaking customers with live support from third-party translation services providers.

2.1.7 With the input of TURN, the CforAT, and/or CBOs, PG&E will provide annual training to CSO representatives on the challenges that vulnerable customers face and how to communicate with customers in an empathetic and helpful manner.

2.2 Communications Plan

2.2.1 Within 90 days of Commission approval of the Application, PG&E will inform its customers of the closure of the 65 CSOs in the following ways:

2.2.1.1 Mailed notice to PG&E’s “CSO exclusive customers”³ – either U.S. mail or e-mail⁴ to customers who have provided an e-mail address – which includes information such as:

³ CSO exclusive customers are those who made at least one payment within the 12 months prior to the temporary closure of the CSOs in March 2020 and that the CSO was their only channel of making such payments.

⁴ The email notice will contain the full text of the mail notice within the email itself.

- The Commission’s decision approving PG&E’s proposal to permanently close the CSOs;
- The list of available alternative channels for payments and non-payment transactions, including the names and addresses of the nearest⁵ Neighborhood Payment Centers (“NPCs”);
- Customer service phone numbers and website addresses for additional information and support;
- A list of CBOs⁶ that PG&E compensates who provide customers information and financial assistance support; and
- Translated messages in non-English languages most commonly spoken in PG&E’s service area, including use of relay service and/or TTY for any verbal communication.

2.2.1.2 Providing CBOs as referenced in Section 2.2.1.1 information about CSO closures to share with their constituents;

2.2.1.3. Posting signage at the closed CSOs for at least one year or until PG&E no longer occupies the location (whichever is sooner) and on our website with information on alternative payment options such as customer service numbers to obtain information regarding the nearest NPC for immediate payments. The signage will also be translated into Spanish and/or Chinese and include tagline translations in 13 other non-English languages⁷ that point customers to customer service numbers from which the customer can get payment information in their preferred language; and

2.2.1.4. Meeting with representatives⁸ of each of the communities affected by the CSO closures to inform them of the closure and discuss ways to reduce any impacts to the community as a result of the closure.

2.2.2 PG&E will provide the other Parties with drafts of any materials sent to customers and incorporate feedback at PG&E’s discretion.

2.3 Metrics for Evaluating the CSO Closure and Transformation Program

2.3.1 PG&E will track and report on the following metrics:

⁵ PG&E strives to locate NPCs within 3 miles of CSOs. PG&E will provide the list of NPCs located within 3 miles of the CSO. However, in some cases NPCs will be located outside of this 3-mile radius. In these cases, PG&E will provide the closest NPC as measured in miles.

⁶ As a starting point, PG&E will use the list from the CBOs identified in the COVID Bill Debt OIR (R.21-02-014) as required by the Commission in D.21-06-036, Ordering Paragraph 8.

⁷ Vietnamese, Korean, Tagalog, Russian, Arabic, Farsi, Punjabi, Japanese, Khmer, Hmong, Thai, Hindi, and Portuguese.

⁸ PG&E will endeavor to meet a diverse set of representatives from the communities including elected officials, CBO representatives, and tribal representatives from adjacent tribal lands.

- The success rate of customer contact attempts;
- The number of call backs received;
- The average speed of answer (“ASA”) for the call center⁹ and web-based online completion rates;
- The number of customers enrolled by CSO employees in the CARE, FERA, AMP programs and other assistance programs consistent with Subsections 2.1.2 and 2.1.3;
- The number of ESA program referrals;
- The number of Medical Baseline program applications sent to customers;
- The number of LIHEAP pledges from customers contacted by CSO employees;
- The number of new customers that self-identify as vulnerable, disabled, and AFN as a result of CSO outreach;
- The number of payment transactions, per channel, with payment transaction data of all CSO exclusive customers, including a separate breakout of data for all CARE, FERA, and Medical Baseline customers;
- The number of non-payment transactions, per channel, with non-payment data of all CSO exclusive customers, including a separate breakout of data for all CARE, FERA, and Medical Baseline customers;
- The percentage of CSO exclusive customers who made zero payments in the past twelve months, the percentage of CSO exclusive customers disconnected for non-payment in the past twelve months, and the percentage of CSO exclusive customers in arrears at the time of reporting.
- The number of Neighborhood Payment Centers serving each city with a closed CSO and the distance of each NPC from the closed CSO location;
- The hours of each NPC serving the city within the closed CSO;
- The name of every CBO as described in Section 2.2.1.1 who provided outreach and/or enrollment in utility programs promoting bill affordability serving the city and/or county with the closed CSO, including the language(s) in which services are provided by the CBO and the number of customers that each CBO reports that they have enrolled in utility programs; and

⁹ ASA is a measure of the time in seconds it takes for calls to be answered by an agent after the customer enters the queue for an agent. PG&E routinely reports ASA along with other call center metrics in its GRCs. See A.21-06-021 (2023 GRC), PG&E-06, Workpaper 4-5. Note that this is a volatile and seasonal metric influenced by outside factors.

2.3.2 PG&E will submit CSO Annual Reports providing the information identified in Section 2.3.1 to the service list of this proceeding beginning March 1 of the first full year following Commission approval of PG&E's request. PG&E will submit the last CSO Annual Report on March 1, 2027 with data for 2026.

2.4 Cost Savings: The cost savings from the closure of PG&E's 65 local offices as proposed would result in a reduction to the 2023-2026 GRC (A.21-06-021) electric and gas distribution revenue requirements. Following the Commission's approval of PG&E's CSO Closure and Transformation Proposal and 2023 GRC, PG&E will submit a Tier 2 Advice Letter within 60 days, detailing the: (1) reduction to our adopted electric and gas distribution revenue requirements effective January 1, 2024, resulting from the closure of CSOs up to that date and (2) the savings to be returned to customers that were realized from the date of the CSO closures through December 31, 2023. In subsequent years, by October 1, PG&E will submit the revenue requirement changes associated with CSO closure savings annually until all CSOs have been closed and the property transactions concluded (i.e., sale of buildings concluded or lease expired or terminated) via Tier 2 advice letter. PG&E will serve each Tier 2 advice letter on the service lists for the CSO application and the 2023 GRC.

2.5 Continued Operations: This CSO Transformation Program will be included in PG&E's forecast of its regular operating expenses in its 2027 GRC. PG&E will include its forecast and program activities in that Application for stakeholder and Commission review and approval.

ARTICLE 3

TERM AND GENERAL PROVISIONS

3.1 Term and Effectiveness: This MOU shall only become enforceable upon the Commission's issuance of a final, non-appealable decision on PG&E's Application that specifically approves the provisions of this MOU without modifications unacceptable to any Party. The commitments in this MOU shall remain effective until the 2027 GRC unless otherwise directed by the Commission. This MOU does not constrain the recommendations that the Parties may present to the Commission for the 2027 GRC.

3.2 Non-Precedential: The Parties agree that this MOU is non-precedential.

3.3 Joint Support: The Parties shall jointly request Commission approval of this MOU.

3.4 Entire Agreement: This MOU represents the entire understanding and agreement of the Parties with respect to the matters described herein, and, except as described herein, supersedes and cancels any and all prior oral or written agreements, principles, negotiations, statements, representations,

or understandings among the Parties pertaining to these matters.


3.5 Resolution of Issues: The Parties agree that this MOU addresses all issues the Parties have regarding the closure of the CSOs. The Parties will not oppose closure of the 65 CSOs and the CSO Closure and Transformation Proposal.

3.6 Amendment: The MOU may be amended or changed only by a written agreement signed by the Parties.


3.7 Counterparts: This MOU may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3.8 Unified, Integrated Agreement: The Parties agree that if the Commission fails to adopt this MOU in its entirety and without modification, the Parties shall meet and confer within 15 days thereof to discuss whether they can resolve the issues raised by the Commission's actions. If the Parties cannot mutually agree to resolve the issues raised by the Commission's actions, the MOU shall be rescinded, and the Parties shall be released from their obligation to support the MOU. Thereafter, the Parties may pursue any action they deem appropriate, but agree to cooperate in establishing a procedural schedule. Parties reserve all rights set forth in Rule 12.4 of the Rules of Practice and Procedure.

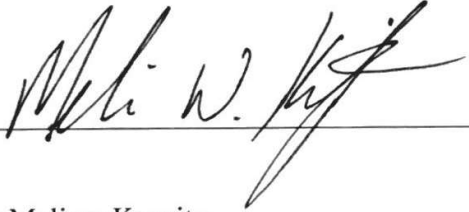
In Witness Whereof, intending to be legally bound, the undersigned have duly executed this Agreement on behalf of the parties they represent.

<p>THE UTILITY REFORM NETWORK</p> <p>By: <u></u></p> <p>Name: Hayley Goodson Title: Managing Attorney</p> <p>Date: April 20, 2022</p>	<p>PACIFIC GAS AND ELECTRIC COMPANY</p> <p>By: _____</p> <p>Name: Christopher Zenner Title: Vice President of Residential Services and Digital Channels</p> <p>Date: April __, 2022</p>
<p>CENTER FOR ACCESSIBLE TECHNOLOGY</p> <p>By: _____</p> <p>Name: Melissa Kasnitz Title: Legal Director</p> <p>Date: April __, 2022</p>	<p>THE PUBLIC ADVOCATES OFFICE</p> <p>By: _____</p> <p>Name: Linda Serizawa Title: Deputy Director</p> <p>Date: April __, 2022</p>


In Witness Whereof, intending to be legally bound, the undersigned have duly executed this Agreement on behalf of the parties they represent.

<p>THE UTILITY REFORM NETWORK</p> <p>By: _____</p> <p>Name: Hayley Goodson Title: Staff Attorney</p> <p>Date: April __, 2022</p>	<p>PACIFIC GAS AND ELECTRIC COMPANY</p> <p>By: _____</p> <p>Name: Christopher Zenner Title: Vice President of Residential Services and Digital Channels</p> <p>Date: April __, 2022</p>
<p>CENTER FOR ACCESSIBLE TECHNOLOGY</p> <p>By: _____</p> <p>Name: Melissa Kasnitz Title: Legal Director</p> <p>Date: April __, 2022</p>	<p>THE PUBLIC ADVOCATES OFFICE</p> <p>By:  _____</p> <p>Name: Linda Serizawa Title: Deputy Director</p> <p>Date: April 19, 2022</p>

In Witness Whereof, intending to be legally bound, the undersigned have duly executed this Agreement on behalf of the parties they represent.

<p>THE UTILITY REFORM NETWORK</p> <p>By: _____</p> <p>Name: Hayley Goodson Title: Staff Attorney</p> <p>Date: April __, 2022</p>	<p>PACIFIC GAS AND ELECTRIC COMPANY</p> <p>By: _____</p> <p>Name: Christopher Zenner Title: Vice President of Residential Services and Digital Channels</p> <p>Date: April __, 2022</p>
<p>CENTER FOR ACCESSIBLE TECHNOLOGY</p> <p>By:  _____</p> <p>Name: Melissa Kasnitz Title: Legal Director</p> <p>Date: April __, 2022</p>	<p>THE PUBLIC ADVOCATES OFFICE</p> <p>By: _____</p> <p>Name: Linda Serizawa Title: Deputy Director</p> <p>Date: April __, 2022</p>

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<p>CENTER FOR ACCESSIBLE TECHNOLOGY</p> <p>By: _____</p> <p>Name: Melissa Kasnitz Title: Legal Director</p> <p>Date: April __, 2022</p>	<p>THE PUBLIC ADVOCATES OFFICE</p> <p>By: _____</p> <p>Name: Linda Serizawa Title: Deputy Director</p> <p>Date: April __, 2022</p>

END APPENDIX A

APPENDIX B



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

Application of Pacific Gas and Electric
Company (U 39 M) for Authorization of
PG&E's Customer Service Office Closure and
Transformation Proposal

Application 22-04-016

U 39 M

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**JOINT MOTION OF PACIFIC GAS AND ELECTRIC
COMPANY (U 39 M) AND THE NATIONAL DIVERSITY
COALITION FOR APPROVAL OF SETTLEMENT
AGREEMENT**

TADASHI GONDAI
JIM LOEPP

Community Legal Services
240 Dellbrook Avenue
San Francisco, CA 94131
Telephone: (415) 997-7766
E-Mail: tad.g@commlegal.org

Attorneys for
THE NATIONAL DIVERSITY
COALITION

CLIFF J. GLEICHER
VIVIAN E. KIM

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (202) 573-2524
Facsimile: (415) 973-5520
E-Mail: Vivian.Kim@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC
COMPANY

Dated: September 15, 2022

**BEFORE THE PUBLIC UTILITIES COMMISSION
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Application of Pacific Gas and Electric
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**JOINT MOTION OF PACIFIC GAS AND ELECTRIC
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COALITION FOR APPROVAL OF SETTLEMENT
AGREEMENT**

I. INTRODUCTION

Pursuant to Rules 1.8, 11.1, and 12.1 of the California Public Utilities Commission's ("CPUC" or "Commission") Rules of Practice and Procedure ("Rules"), Pacific Gas & Electric Company ("PG&E") and the National Diversity Coalition ("NDC") (collectively, the "Settling Parties") respectfully request that the Commission adopt and find reasonable the Settlement Agreement (or "Agreement") appended to this Joint Motion as Attachment A. For the reasons set forth below, the Settlement Agreement is reasonable in light of the record as a whole, consistent with law, and in the public interest, and therefore, should be adopted without modification.

II. PROCEDURAL AND SETTLEMENT HISTORY

On April 28, 2022, PG&E filed its Application for Authorization of PG&E's Customer Service Office ("CSO") Closure and Transformation Proposal, Application ("A.") 22-04-016. The Application requested an expedited schedule under Rule 2.9. On the same day, PG&E filed a Motion to Maintain the Status Quo, requesting that PG&E be permitted to keep the CSOs closed until the Commission decided PG&E's Application. NDC timely filed its response on May 11 and 12, 2022. PG&E timely filed a reply to all filed responses on May 19, 2022. Pursuant to Administrative Law Judge ("ALJ") Hazlyn Fortune's June 10, 2022 ruling, a prehearing conference was held on June 20, 2022 to determine the parties, discuss the scope, schedule, and other procedural matters.

On June 23, 2022, ALJ Fortune granted PG&E's Motion to Maintain the Status Quo, but denied PG&E's Request for Expedited Schedule Treatment Pursuant to Rule 2.9 ("Request"). On July 18, 2022, ALJ Fortune vacated the June 23, 2022 ruling denying PG&E's Request and granted the Request. On August 15, 2022, Assigned Commissioner Genevieve Shiroma issued a scoping memo and set forth the issues in the proceeding. On August 18, 2022, all parties filed a joint request for an extension of the procedural schedule in order to engage in settlement negotiations and agreed to waive evidentiary hearings. On August 18, 2022, ALJ Michelle Cooke¹ granted the extension of the procedural schedule. The Settling Parties initiated settlement negotiations on August 23, 2022 which continued over the next week. Pursuant to Rule 12.1(b), all parties held a settlement conference on August 30, 2022.² NDC filed testimony on August 31, 2022. PG&E filed rebuttal testimony on September 7, 2022. All parties reconvened for the Rule 13.9 meet-and-confer on September 14, 2022.³ As a result of settlement negotiations, the settlement conference, and the Rule 13.9 meet-and-confer, the Settling Parties came to the attached Settlement Agreement.

III. SUMMARY OF SETTLEMENT AGREEMENT

Through negotiations and discovery, the Settling Parties were able to resolve all disputed issues between the Settling Parties. The Settling Parties agreed to the following terms:

- All 65 PG&E CSOs may permanently close on January 1, 2023.
- PG&E will track and report on the metrics as described on pages 7 and 8 of the Application and Section 2.3.1 of the Memorandum of Understanding ("MOU").⁴ In addition, PG&E will provide options for customers to voluntarily indicate their race

¹ ALJ Michelle Cooke covered for ALJ Fortune's matter while ALJ Fortune was out of the office.

² All parties waived the need for service.

³ All parties waived the need for service.

⁴ The MOU was signed by PG&E, The Utility Reform Network ("TURN"), the Public Advocates' Office ("Cal Advocates"), and Center for Accessible Technology ("CforAT") in which TURN, Cal Advocates, and CforAT agreed not to oppose the Application under certain conditions.

and/or ethnicity, which PG&E will include as aggregated and anonymous values in its annual CSO Closure Report. Reporting on race and/or ethnicity information that is voluntarily provided by customers, aggregated and anonymized does not violate privacy statutes and is consistent with all applicable laws.

- PG&E’s CSO workforce, in collaboration with community-based organizations (“CBOs”) and faith-based organizations (“FBOs”) that are compensated to provide customers financial assistance support and that are trained on PG&E’s financial assistance programs, will proactively call customers in arrears to help them reduce their past due balances and better manage their bills including enrolling them in ratepayer assistance programs including but not limited to Energy Savings Assistance Program (“ESA”), California Alternative Rates for Energy (“CARE”), Family Electric Rate Assistance (“FERA”), the Arrearage Management Plan (“AMP”), and Medical Baseline. PG&E has worked with NDC on numerous previous occasions to help conduct such marketing and outreach to vulnerable communities, and will continue to work with NDC in the CSO transformation effort. Outreach will also include general information on other utility assistance programs.
- With the input of NDC, PG&E will provide annual training to CSO representatives on the challenges that vulnerable customers face and how to communicate with customers in an empathetic and helpful manner.
- After California Native American Tribes are given the right of first offer, if any of the six (6) stand-alone CSO buildings that PG&E plans to sell (Coalinga, Dinuba, East Oakland, Lemoore, Oakdale, and Selma) are still available, PG&E will provide notice via the CBO newsletter⁵ informing recipients of (1) the sale of the building and (2) the contact information of the broker for any interested parties who have further

⁵ PG&E’s CBO newsletter is distributed several times a year based on need to approximately 120 CBOs and faith-based organizations (“FBOs”) with whom PG&E collaborates.

inquiries. Notice to the CBO newsletter will be provided concurrently with listing the properties on the open market.

IV. THE SETTLEMENT AGREEMENT SHOULD BE ADOPTED

A. Commission Policy Favors Settlements

The Commission has a history of supporting settlement of disputes if they are fair and reasonable in light of the whole record.⁶ As it has reiterated over the years, the “Commission favors settlements because they generally support worthwhile goals, including reducing the expense of litigation, conserving scarce Commission resources, and allowing parties to reduce the risk that litigation will produce unacceptable results.”⁷ This strong public policy favoring settlements weighs in favor of the Commission’s resisting the temptation to alter the results of the negotiation process. As long as a settlement as a whole is reasonable in light of the record, consistent with the law, and in the public interest, it should be adopted.⁸

B. The Settlement Agreement Is Reasonable in Light of the Record as a Whole

The Commission should adopt the Settlement Agreement as reasonable in light of the entire record. Before reaching this settlement, the Settling Parties carefully reviewed PG&E’s Application, PG&E’s Opening Testimony, the MOU, NDC’s Testimony, and PG&E’s Rebuttal Testimony on the issues and conducted discovery thereon. The Settlement Agreement represents equitable compromises reached after careful review and discussion by the Settling Parties of the Application and submitted testimony as well as information obtained during discovery. The Settlement Agreement is reasonable because it was reached only after meaningful give-and-take

⁶ D.05-03-022, mimeo, pp. 8-9, *citing* D.88-12-083 (30 CPUC 2d 189, 221-223) and D.91-05-029 (40 CPUC 2d. 301, 326).

⁷ D.10-12-035, 2010 Cal PUC LEXIS 467 at *87; *and see* D.05-03-022, mimeo, p. 8, *citing* D.92-12-019, 46 CPUC 2d 538, 553. *See also* D.10-12-051, 2010 Cal. PUC LEXIS 556 at *55 (Commission decisions “express the strong public policy favoring settlement of disputes if they are fair and reasonable”); D.10-11-035, 2010 Cal. PUC LEXIS 495 at *17 (the Commission’s “long-standing policy favoring settlements...reduces litigation expenses [and] conserves scarce Commission resources”); *and see* D.10-11-011, 2010 Cal. PUC LEXIS 533 at *50 (“There is a strong public policy favoring the settlement of disputes to avoid costly and protracted litigation[.]”)

⁸ *See generally*, D.05-03-022, mimeo, pp. 7-13, 18.

in collaborative negotiations, during which all of the Settling Parties made concessions to resolve issues in a manner that reflects a fair compromise of their litigation positions.⁹ TURN and CforAT support the Motion to Approve the Settlement Agreement. CalAdvocates and the Small Business Utility Advocates (“SBUA”) do not oppose the Motion to Approve the Settlement Agreement. No party opposes.

This Motion, the attached Settlement Agreement, and the prepared testimony submitted in this proceeding contain sufficient information for the Commission to conclude that the Settlement Agreement is reasonable and adopt it without modifications.

C. The Settlement Agreement Is Consistent with Law

The Settling Parties are represented by experienced counsel and believe that the terms of the Settlement Agreement comply with all applicable statutes and prior Commission decisions, and reasonable interpretations thereof. In agreeing to the terms of the Settlement Agreement, the Settling Parties considered relevant statutes and Commission decisions and believe that the Settlement Agreement is fully consistent with those statutes and prior Commission decisions.

D. The Settlement Agreement Is in the Public Interest

The Settlement Agreement is a reasonable compromise of the Settling Parties’ respective positions, and is in the public interest as well as in the interest of PG&E’s customers, especially PG&E’s most vulnerable customers. Resolution of the disputed issues was achieved only after the Settling Parties participated in multiple detailed settlement discussions, resulting in a balanced settlement for all ratepayers. The Settlement Agreement fairly resolves the disputed issues and provides proactive and empathetic services to PG&E’s most vulnerable customers, which is in the public interest.

V. CONCLUSION

For the reasons set forth above, the Settling Parties respectfully request that the Commission:

⁹ See D.13-11-003, mimeo, pp. 6-7; D. 13-07-029, mimeo, pp. 7-8; D.13-12-045, mimeo, pp. 10-11.

1. Find the attached Settlement Agreement to be reasonable in light of the whole record, consistent with law, and in the public interest;
2. Adopt the attached Settlement Agreement without modification; and
3. Grant such other relief as is necessary and proper.

Respectfully Submitted,

CLIFF J. GLEICHER
VIVIAN E. KIM

By: /s/ Vivian E. Kim
VIVIAN E. KIM

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (202) 573-2524
Facsimile: (415) 973-5520
E-Mail: Vivian.Kim@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

TADASHI GONDAI
JIM LOEPP

By: /s/ Tadashi Gondai
TADASHI GONDAI

Community Legal Services
240 Dellbrook Avenue
San Francisco, CA 94131
Telephone: (415) 997-7766
E-Mail: tad.g@commlegal.org

Attorneys for
THE NATIONAL DIVERSITY COALITION

Dated: September 15, 2022

ATTACHMENT A

Settlement Agreement

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

Application of Pacific Gas and Electric
Company (U 39 M) for Authorization of
PG&E's Customer Service Office Closure and
Transformation Proposal

U 39 M

Application 22-04-016

**SETTLEMENT AGREEMENT OF PACIFIC GAS AND
ELECTRIC COMPANY (U 39 M) AND THE NATIONAL
DIVERSITY COALITION REGARDING PACIFIC GAS
AND ELECTRIC COMPANY'S APPLICATION FOR
AUTHORIZATION OF CUSTOMER SERVICE OFFICE
CLOSURE AND TRANSFORMATION PROPOSAL**

Pursuant to Rule 12.1 of the California Public Utilities Commission's ("CPUC" or "Commission") Rules of Practice and Procedure ("Rules"), Pacific Gas and Electric Company ("PG&E") and the National Diversity Coalition ("NDC") (collectively, the "Settling Parties")¹ enter into this Settlement Agreement (or "Agreement") regarding PG&E's Application for Authorization of PG&E's Customer Service Office Closure and Transformation Proposal ("Application").

I. GENERAL RECITALS

- 1.1 On April 28, 2022, PG&E filed its Application for Authorization of PG&E's Customer Service Office ("CSO") Closure and Transformation Proposal, Application ("A.") 22-04-016. The Application requested an expedited schedule under Rule 2.9. On the same day, PG&E filed a Motion to Maintain the Status

¹ As part of the Application, PG&E submitted a Memorandum of Understanding ("MOU") signed by The Utility Reform Network ("TURN"), the Public Advocates' Office ("Cal Advocates"), and Center for Accessible Technology ("CforAT") in which TURN, Cal Advocates, and CforAT agreed not to oppose the Application under certain conditions.

Quo, requesting that PG&E be permitted to keep the CSOs closed until the Commission decided PG&E's Application.

- 1.2 NDC timely filed its responses on May 11 and 12, 2022.²
- 1.3 PG&E timely filed a reply to all filed responses on May 19, 2022.
- 1.4 Pursuant to Administrative Law Judge ("ALJ") Hazlyn Fortune's June 10, 2022 ruling, a prehearing conference was held on June 20, 2022 to determine the parties, discuss the scope, schedule, and other procedural matters.
- 1.5 On June 23, 2022, ALJ Fortune granted PG&E's Motion to Maintain the Status Quo, but denied PG&E's Request for Expedited Schedule Treatment Pursuant to Rule 2.9 ("Request").
- 1.6 On July 18, 2022, ALJ Fortune vacated the June 23, 2022 ruling denying PG&E's Request and granted the Request.
- 1.7 On August 15, 2022, Assigned Commissioner Genevieve Shiroma issued a scoping memo and set forth the issues in the proceedings as:
 - 1.7.1 Whether the Application and Joint Memorandum of Understanding ("MOU"), among PG&E, TURN, Cal Advocates and CforAT, filed with PG&E's application satisfy all of the requirements of the Public Utilities Code and all applicable Commission Rules, General Orders, and Decisions?

² NDC initially filed one response on May 11, 2022 that encompassed its response to both the Application and Motion. At the direction of the CPUC Docket Office, NDC filed two separate responses to the Application and Motion on May 12, 2022. The substance of NDC's responses remained the same between May 11 and May 12, 2022.

- 1.7.2 Should all remaining 65 CSOs be permanently closed; and if so, are mitigations necessary to address customer impacts, including small business customers?
- 1.7.3 Would the closures of the CSOs result in unmitigated impact on the achievement of the Commission's Environmental and Social Justice Action Plan?
- 1.7.4 Has PG&E appropriately engaged with underserved communities to receive feedback on their needs and input on how to mitigate any harms?
- 1.7.5 Are PG&E's proposed amounts of cost savings reasonable including whether it is efficient to retain all current CSO employees and offer current part-time and intermittent employees full-time positions?
- 1.7.6 Has PG&E appropriately incorporated working with CBOs in its plans?
- 1.7.7 Should customer metrics be reported with breakdowns by income, vulnerabilities, disabilities, AFN identification, and other categories as available?
- 1.7.8 Should [there] be consideration of alternative potential uses for some existing CSO locations, such as energy centers, meeting spaces for CBOs or other customer-facing activities?
- 1.7.9 Is the positioning of Neighborhood Payment Centers ("NPC") adequate as permanent substitutes for CSOs?
- 1.8 On August 18, 2022, all parties requested an extension of the procedural schedule and agreed to waive evidentiary hearings.

- 1.9 On August 18, 2022, ALJ Michelle Cooke³ granted the extension of the procedural schedule.
- 1.10 The Settling Parties initiated settlement negotiations on August 23, 2022, which continued over the next week.
- 1.11 Pursuant to Rule 12.1(b), a settlement conference was held on August 30, 2022.⁴
- 1.12 This Settlement Agreement represents a compromise from the litigation positions of the parties to the Settlement Agreement, resulting from extensive negotiations among the Settling Parties. The Settling Parties desire to resolve all issues, beginning with a Commission decision adopting the Settlement Agreement, in accordance with the terms of the Agreement.
- 1.13 On August 31, 2022, NDC served testimony on all parties. On September 7, 2022, PG&E filed rebuttal testimony. The Settling Parties continued their settlement discussions.
- 1.14 The Settling Parties agree that the record in this proceeding has been fully developed to allow the Commission to determine that this Agreement is just and reasonable, consistent with the law, in the public interest, and should be adopted.
- 1.15 The Settling Parties believe that the Settlement is reasonable in light of the whole record, consistent with the law, and in the public interest.

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³ ALJ Michelle Cook was covering matters for ALJ Hazlyn Fortune while ALJ Fortune was out of office.

⁴ All parties waived the need for notice.

II. SETTLEMENT AGREEMENT PROVISIONS

2.1 General

2.1.1 All proposals in the PG&E Application and supporting testimony shall be adopted as specified below.

2.2 CSO Offices Closure and Transformation Proposal

2.2.1 The Settling Parties agree that all 65 PG&E CSOs may permanently close on January 1, 2023.

2.2.2 PG&E will track and report on the metrics as described on pages 7 and 8 of the Application and Section 2.3.1 of the MOU. In addition, PG&E will provide options for customers to voluntarily indicate their race and/or ethnicity, which PG&E will include as aggregated and anonymous values in its annual CSO Closure Report.

2.2.3 PG&E's CSO workforce, in collaboration with community-based organizations ("CBOs") and faith-based organizations ("FBOs") that are compensated to provide customers financial assistance support and that are trained on PG&E's financial assistance programs, will proactively call customers in arrears to help them reduce their past due balances and better manage their bills including enrolling them in ratepayer assistance programs including but not limited to Energy Savings Assistance Program ("ESA"), California Alternative Rates for Energy ("CARE"), Family Electric Rate Assistance ("FERA"), the Arrearage Management Plan ("AMP"), and Medical Baseline. Outreach will also include general information on other utility assistance programs.

2.2.4 With the input of NDC, PG&E will provide annual training to CSO

representatives on the challenges that vulnerable customers face and how to communicate with customers in an empathetic and helpful manner.

2.2.5 After California Native American Tribes are given the right of first offer, if any of the six (6) stand-alone CSO buildings that PG&E plans to sell (Coalinga, Dinuba, East Oakland, Lemoore, Oakdale, and Selma) are still available, PG&E will provide notice via the CBO newsletter⁵ informing recipients of (1) the sale of the building and (2) the contact information of the broker for any interested parties who have further inquiries. Notice to the CBO newsletter will be provided concurrently with listing the properties on the open market.

III. ADDITIONAL TERMS AND CONDITIONS

3.1 Performance. The Settling Parties agree to perform diligently, and in good faith, all actions required or implied hereunder, including, but not necessarily limited to, the execution of any other documents required to effectuate the terms of this Settlement Agreement, and the preparation of exhibits for, and presentation of witnesses at, any required hearings to obtain the approval and adoption of this Settlement Agreement by the Commission. No Settling Party will contest this Settlement Agreement in any proceeding, or in any other forum, or in any manner before this Commission, the recommendations contained in this Settlement Agreement. It is understood by the Settling Parties that time is of the essence in obtaining the Commission's approval of this Settlement Agreement and that all

⁵ PG&E's CBO newsletter is distributed several times a year based on need to approximately 120 CBOs and faith-based organizations ("FBOs") with whom PG&E collaborates.

Settling Parties will extend their best efforts to ensure its adoption by the Commission.

3.2 Signature Date. This Agreement shall become binding as of the last signature date of the Settling Parties.

3.3 Binding, Non-Precedential Effect. This Settlement Agreement is not intended by the Settling Parties to be precedent for any other proceeding, whether pending or instituted in the future. The Settling Parties have assented to the terms of this Settlement Agreement only to arrive at the Settlement embodied in this Settlement Agreement. Each Settling Party expressly reserves its right to advocate, in current and future proceedings, positions, principles, assumptions, arguments, and methodologies that may be different than those underlying this Settlement Agreement. The Settling Parties expressly declare that, as provided in Rule 12.5 of the Commission's Rules of Practice and Procedure, this Settlement Agreement is intended to be binding on the Settling Parties in this proceeding, but should not be considered as precedent for or against them.

3.4 Indivisibility. This Settlement Agreement embodies compromises of the Settling Parties' positions in this proceeding. No individual term of this Settlement Agreement is assented to by any Settling Party, except in consideration of the other Settling Parties' assents to all other terms. Thus, the Settlement Agreement is indivisible, and each part is interdependent on each and all other parts. Any Settling Party may withdraw from this Settlement Agreement if the Commission, or any court of competent jurisdiction, modifies, deletes from, or adds to the disposition of the matters settled herein. The Settling Parties agree, however, to

negotiate in good faith regarding any Commission-ordered changes to restore the balance of the benefits and burdens, and to exercise the right to withdraw only if such negotiations are unsuccessful.

3.5 Reservation of Rights. Since this Settlement Agreement represents a compromise by them, the Settling Parties have entered into each stipulation contained in this Settlement Agreement on the basis that the stipulation not be construed as an admission or concession by any Settling Party regarding any fact or matter of law at issue in this proceeding. Should this Settlement Agreement not be approved in its entirety by the Commission, the Settling Parties reserve all rights to take any position whatsoever with respect to any fact or matter of law at issue in this proceeding.

3.6 Conflict of Terms. The Settling Parties agree to support adoption of PG&E's proposal, as described in PG&E's Application and supporting testimony, with the modifications described in the Settlement Agreement. In the event a conflict between the terms of the Settlement Agreement and PG&E's Application and supporting testimony, the terms of the Settlement Agreement shall control.

3.7 Entire Agreement. This document sets forth the entire agreement of the Settling Parties on all issues in this proceeding. The Settlement Agreement supersedes all prior agreements, commitments, representations, and discussions between the Settling Parties. The terms and conditions of this Settlement Agreement may only be modified in writing subscribed by all Settling Parties.

3.8 Compromise of Disputed Claims. This Agreement represents a compromise of disputed claims between the Settling Parties. The Settling Parties have reached

this Agreement after considering the possibility that each Party may or may not prevail on any given issue. The Settling Parties assert that this Agreement is reasonable, consistent with the law, and in the public interest.


- 3.9 Non-Waiver. None of the provisions of this Settlement Agreement shall be considered waived by any Settling Party unless such waiver is given in writing. The failure of a Settling Party to insist in any one or more instances upon strict performance of any of the provisions of this Settlement Agreement or to take advantage of any of their rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.
- 3.10 Effect of Subject Headings. Subject headings in this Settlement Agreement are inserted for convenience only and shall not be construed as interpretations of the text.
- 3.11 Governing Law. This Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.
- 3.12 Counterparts. This Settlement Agreement may be executed in counterparts by the Settling Parties hereto with the same effect as if all Settling Parties had signed one and the same documents. All such counterparts shall be deemed to be an original and shall together constitute one and the same Settlement Agreement.

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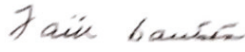
The undersigned represent that they are authorized to sign on behalf of the Party represented, for the purposes of this Settlement Agreement.

**PACIFIC GAS AND ELECTRIC
COMPANY**

By: 

Name: Chris Zenner
Title: Vice President Residential Services
Date: September 15, 2022

NATIONAL DIVERSITY COALITION

By: 

Name: Faith Bautista
Title: CEO, National Diversity Coalition
Date: September 15, 2022

END APPENDIX B