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

Order Instituting Rulemaking to Develop Safety
Culture Assessments for Electric and Natural Gas
Utilities.

R.21-10-001
(Filed October 7, 2021)

**OPENING COMMENTS OF
ALPINE NATURAL GAS OPERATING COMPANY NO. 1, LLC (U 909 G)
ON PROPOSED DECISION OF COMMISSIONER HOUCK
ADOPTING A SAFETY CULTURE ASSESSMENT FRAMEWORK FOR SMALL AND
MULTI-JURISDICTIONAL UTILITIES AND GAS STORAGE OPERATORS**

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SUMMARY OF RECOMMENDATIONS

Alpine supports adoption of the Proposed Decision and agrees that the flexible approach to safety culture assessment in the Staff Proposal is reasonable. Alpine also seeks the following specific adjustments to the mechanics of the requirements under the Proposed Decision:

- Annual safety culture assessments should be due on April 1 instead of December 15 of each assessment year, and the initial “Tier 2 advice letter” filing should be due on April 1, 2028 instead of December 15, 2027.
- When the companies calculate their workforce sizes, exclusions for outside contractors performing non-“safety-critical” functions should encompass legal, accounting, tax, and ratemaking consulting vendors in addition to janitorial, catering, and administrative support functions.

I. INTRODUCTION.

In accordance with Rule 14.3(a) of the California Public Utilities Commission’s Rules of Practice and Procedure (“Rules”), Alpine Natural Gas Operating Company No. 1, LLC (“Alpine”) hereby offers its opening comments on the Decision Adopting a Safety Culture Assessment Framework for Small and Multi-Jurisdictional Utilities and Gas Storage Operators, issued on September 4, 2026 (the “Proposed Decision”). The Proposed Decision enacts a safety culture assessment framework for smaller utilities, including Alpine, using the Safety Policy Division’s Phase 2 Staff Proposal (“Staff Proposal”) as the centerpiece of its approach. As a very small utility with less than 10 employees, Alpine supports the flexibility inherent in the proposed framework, and appreciates the Proposed Decision’s endorsement of a “scaled safety culture assessment” that acknowledges both the safety culture advantages of smaller utilities and their unique cost sensitivities.¹ Alpine’s localized presence and its centralized, active leadership are consistent with the Proposed Decision’s observation that smaller utilities have “more direct and faster communication channels, higher visibility and accessibility of leadership, and the ability to adapt and implement changes more quickly.”² Alpine appreciates the Commission’s efforts to take its circumstances into account in framing the safety culture assessment requirements and modulating those requirements based on the size of utilities, as the Staff Report effectively reflects.

Alpine supports the Proposed Decision, but suggests two important proposed changes to the mechanics and definitional apparatus in the Proposed Decision. *First*, the annual submission reflecting the self-assessment for each year should not be due on December 15th in the midst of the holiday season.³ The annual report should be due in the first or second quarter of the year, where it can be prepared based on appropriate reflection regarding the prior year and with sufficient time to address it in the new year. Alpine suggests April 1st as a reasonable reporting date. *Second*, the definition utilized to determine whether outside contractors count toward the “workforce” head count should expressly acknowledge that accounting, ratemaking consulting, tax, and legal services are not amongst the “safety-critical” functions intended by the definition.⁴ This clarification will help operationalize the definitions, especially for a utility like Alpine who does not generally rely on outside contractors for “safety critical” functions and whose work force is on the cusp of the lowest size tier in the proposal. Alpine discusses these minor proposed changes in these comments.

¹ *Proposed Decision* at 14.

² *Proposed Decision* at 15.

³ *See Proposed Decision* at 45-46 (OP 8).

⁴ *See Proposed Decision* at 47 (OP 12).

II. THE ANNUAL SAFETY CULTURE SELF-ASSESSMENT SUBMISSION SHOULD BE MOVED TO APRIL 1 OF EACH YEAR.

The Proposed Decision should adopt a more reasonable deadline for the annual report on the “results” of each annual “self-assessment,” moving the December 15 date to April 1.⁵ No explanation is provided in the Proposed Decision for the December 15 date, and there are compelling reasons not to adopt this date for a recurring regulatory requirement. December 15 is a particularly busy time for small businesses given the challenges presented by the holiday season, the potential for seasonal illnesses to impact attendance, and the need to respond to potential challenges presented by winter weather. It would be more reasonable to place the annual self-assessment date in the first or second quarters of the year. This timing would allow smaller utilities to take stock of the prior year and perform an assessment in a thoughtful manner in the first part of each new year. Alpine has proposed April 1 as a reasonable date for this annual requirement, although any month from March to June would be equally reasonable.

Alpine notes that Ordering Paragraph 17 contemplates a start-up filing in the form of a “Tier 2 advice letter” to be filed on December 15, 2027. This filing could reasonably be moved to April 1, 2028 under Alpine’s proposal.

III. ADDITIONAL DETAIL SHOULD BE PROVIDED TO CLARIFY THE COUNTING OF OUTSIDE CONTRACTORS TOWARD THE WORKFORCE THRESHOLDS UNDER THE PROPOSED DECISION.

Especially for small utilities like Alpine who are on the border of the size categories contemplated by the Proposed Decision and the associated Staff Proposal, it will be important to clearly define how outside contractors are counted, if at all, toward the head counts that inform the size tranches under the proposed framework. The Proposed Decision properly recognizes that “[i]ndividuals employed as contractors in functions with negligible influence on operational risk, such as janitorial services, catering, and administrative support, may be excluded from the calculation of workforce size”⁶ This clarification is helpful to operationalize this requirement, but the definition should expressly state that legal, tax, accounting, and ratemaking consulting functions are not “safety-critical” outside contractor functions. Alpine relies on these types of contractors and outside vendors, which are in the nature of corporate operations support, not

⁵ See *Proposed Decision* at 25, 45-46 (OP 8)

⁶ *Proposed Decision* at 47 (OP 12).

IV. CONCLUSION.

Respectfully submitted this 24th of September, 2026

By /s/ Patrick Rosvall
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Appendix A

PROPOSED CHANGES TO FINDINGS, CONCLUSIONS, AND ORDERING PARAGRAPHS

Conclusions of Law

7. SMJUs and IGSOs should define contractors performing safety-critical functions as any contractor engaged in a function or role that can create, control, or influence risk—whether directly or through latent conditions. This definition should exclude functions with negligible influence on operational risk, such as janitorial services, catering, legal, accounting, tax, ratemaking consulting, and administrative support, with the burden placed on the organizations to justify exclusions.

Ordering Paragraphs

8. Wild Goose Storage, Lodi Gas Storage, Gill Ranch Storage, Central Valley Gas Storage, Alpine Natural Gas Operating Company No. 1, West Coast Gas Company, Liberty Utilities d/b/a CalPeco Electric LLC, Bear Valley Electric Service, PacifiCorp, and Southwest Gas Corporation must each send the written results of their safety culture assessments to the service list of Rulemaking 21-10-001 by ~~December 15~~ April 1 of each assessment year demonstrating the organization has conducted a quality assessment, documenting the process of planning, conducting, and analyzing the assessment, and explaining how the assessment approach was designed to align with generally accepted practices for collection, evaluation, and interpretation of cultural data.

12. When Wild Goose Storage, Lodi Gas Storage, Gill Ranch Storage, Central Valley Gas Storage, Alpine Natural Gas Operating Company No. 1, West Coast Gas Company, Liberty Utilities d/b/a CalPeco Electric LLC, Bear Valley Electric Service, PacifiCorp, and Southwest Gas Corporation calculate their respective workforce sizes, the calculation shall include individuals employed as contractors performing safety-critical functions, defined as any contractor engaged in a function or role that can create, control, or influence risk whether directly or through latent conditions. Individuals employed as contractors in functions with negligible influence on operational risk, such as janitorial services, catering, legal, accounting, tax, ratemaking consulting, and administrative support, may be excluded from the calculation of workforce size, but each Small and Multi-Jurisdictional Utility and Independent Gas Storage Operator bears the burden of proof to justify such exclusions.

17. By ~~December 15~~ April 1, 2027, Wild Goose Storage, Lodi Gas Storage, Gill Ranch Storage, Central Valley Gas Storage, Alpine Natural Gas Operating Company No. 1, West Coast Gas Company, Liberty Utilities d/b/a CalPeco Electric LLC, Bear Valley Electric Service, PacifiCorp, and Southwest Gas Corporation shall each file the equivalent of a Tier 2 advice letter with the Safety Policy Division identifying the schedule and plan for conducting its initial safety culture assessment pursuant to this decision.