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PUBLIC UTILITIES COMMISSION
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September 25, 2026, **Agenda ID #24563**
Quasi-Legislative

TO PARTIES OF RECORD IN RULEMAKING 18-04-019:

This is the proposed decision of Commissioner Darcie L. Houck. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's October 29, 2026, Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC: jds

Decision **PROPOSED DECISION OF COMMISSIONER HOUCK (Mailed 09/25/2026)**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider Strategies and Guidance for Climate Change Adaptation.	Rulemaking 18-04-019

DECISION ESTABLISHING A CLIMATE ADAPTATION POLICY FRAMEWORK

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DECISION ESTABLISHING A CLIMATE ADAPTATION POLICY FRAMEWORK

Summary

In this decision, we decline to adopt modifications to existing General Orders or adopt a new General Order to address Climate Adaptation. Rather, we adopt the framework proposed by Safety Policy Division with modifications. Upon issuance of this decision, this framework will apply to new applications filed by any investor-owned utility (IOU) that is required to file both Climate Adaptation Vulnerability Assessments and Risk Assessment Mitigation Phase applications in the future. This currently includes Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), and San Diego Gas & Electric Company (SDG&E).

As such, all future applications filed by PG&E, SCE, SoCalGas, and SDG&E will be screened through questions related to the five policy areas of Repetitive Loss and Failure, Site Selection, Design and Engineering, Equipment Tolerance, and Climate Risk Modeling to determine if the climate adaptation considerations apply to them. The outcome of this screening will be an annual joint IOU workshop, starting in 2028, to summarize the integration of climate adaptation across the five policy areas into applications filed with the Commission. PG&E, SCE, SoCalGas, and SDG&E are additionally required to file a joint annual report by May 1st of each year with specific information to aid tracking and monitoring of climate adaptation activities, aiding the Commission, its staff, and intervenors in evaluating the efficacy of climate adaptation policy to inform IOU filings.

This proceeding remains open.

1. Background

The California Public Utilities Commission (Commission) opened Rulemaking (R.) 18-04-019 on April 26, 2018, to consider strategies to integrate climate change adaptation matters in relevant Commission proceedings. As the Order Instituting Rulemaking (OIR) states, climate adaptation planning in a time of worsening climate impacts is a prudent next step to ensure the safety and reliability of services provided by regulated utilities.

In Phase 1 of this proceeding, the Commission considered issues regarding the definition of climate change adaptation, climate adaptation data sources, models, and tools, prioritization of actions to address climate-change-related needs of vulnerable and disadvantaged communities (DVCs), and vulnerability assessments. The Commission resolved these issues in Decision (D.) 19-10-054, *Decision Addressing Phase 1 Topics 1 and 2* and D.20-08-046, *Decision on Energy Utility Climate Change Vulnerability Assessments and Climate Adaptation in Disadvantaged Communities (Phase 1, Topics 4 and 5)*.

In Phase 2 of this proceeding, the Commission considered issues regarding refinements to the Climate Adaptation and Vulnerability Assessments (CAVAs) for large IOUs, linkages between CAVAs and General Rate Case (GRC) proceedings, linkages between the present proceeding and other Commission proceedings beyond Risk Assessment Mitigation Phase (RAMP) and GRC proceedings, and cross-cutting issues including the creation of a climate adaptation lexicon. The Commission resolved these issues in D.24-08-005, *Phase 2 Decision Updating Climate Change Adaptation Modeling Requirements and Refining the Climate Adaptation and Vulnerability Assessments.* Additional refinements to the CAVA related to Community Engagement Plans and adaptive capacity will be addressed in a subsequent decision in the present proceeding.

On April 10, 2025, the Assigned Commissioner issued a ruling noticing a Safety Policy Division (SPD) Staff-led workshop opening Phase 3 of the present proceeding and addressing the need for updates to General Orders (GOs) to reflect climate adaptation. On April 17, 2025, SPD held the workshop. On August 18, 2025, the Assigned Commissioner issued a ruling providing post-workshop questions for comment. San Diego Gas & Electric Company (SDG&E), Southern California Gas Company (SoCalGas), Southern California Edison Company (SCE), and Pacific Gas and Electric Company (PG&E) filed opening comments on September 8, 2025. Public Advocates Office at the California Public Utilities Commission (Cal Advocates), Small Business Utility Advocates (SBUA), and SCE filed reply comments on September 18, 2025.

On April 13, 2026, the Assigned Commissioner issued a ruling providing questions for comment and entering SPD Staff's proposed Climate Adaptation Framework into the record of this proceeding. California Water Association (CWA),[1] Alpine Natural Gas Operating Company, LLC (Alpine), PG&E, SDG&E, SBUA, SoCalGas, PacifiCorp d/b/a Pacific Power (PacifiCorp), SCE, and jointly Bear Valley Electric Service, Inc. (Bear Valley) and Liberty Utilities, LLC (Liberty), filed opening comments by May 15, 2026. PG&E[2] and SCE[3] filed reply comments by May 26, 2026.

1.1. Submission Date

This matter was submitted on May 26, 2026, upon filing of reply comments on the April 13, 2026, Assigned Commissioner's Ruling.

[1] Filed opening comments on April 30, 2026

[2] Filed reply comments on May 22, 2026

[3] Filed reply comments on May 26, 2026.

2. Jurisdiction

The Commission has broad authority and jurisdiction over investor-owned public utilities, as provided in state statute, including Public Utilities (Pub. Util.) Code Sections 216, 222, 228, 399.11 through 399.31, 451, 761 784, 950 through 969.

In particular, public utilities have a responsibility to furnish and maintain service and facilities as necessary to promote public health and safety:

> Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities… as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public. (Pub. Util. Code § 451.)

The Commission also has broad responsibility and authority to protect public health and safety:

> The commission may supervise and regulate every public utility in the State and may do all things, whether specifically designated in this part or in addition thereto, which are necessary and convenient in the exercise of such power and jurisdiction. (Pub. Util. Code § 701.)

We recognize these broad authorities as we consider strategies for integrating climate change adaptation standards into our processes and those of the investor-owned utilities.

3. Issues Before the Commission

The issues addressed in this decision are:

- Task 6 of the Assigned Commissioner's Phase 2 Scoping Ruling: Should the Commission update any General Orders to ensure they appropriately address climate adaptation needs? If so, which General Orders merit consideration? What process should be used to update them?
- Task 5 of the Assigned Commissioner's Phase 2 Scoping Ruling: Should the Commission consider adopting additional general strategies and guidance for climate adaptation for use by all energy utilities?

This proceeding remains open.

4. Climate Adaptation-Related General Order Updates

The June 2, 2023 Assigned Commissioner's Phase 2 Scoping Memo and Ruling identified Phase 2, Task 6 to consider modifications or additions to the Commission's General Orders (GO) to address climate adaptation. As discussed further throughout this decision, while we decline to adopt changes to General Orders, per Task 6, we do apply other strategies to further incorporate climate adaptation policy into utility application and review processes.

4.1. Party Comments

The August 18, 2025, Assigned Commissioner's Ruling stated that the goal of Task 6 is to adequately incorporate climate adaptation considerations into energy utility planning processes and safety requirements for electrical infrastructure and equipment to improve ratepayer safety, reliability, and resilience while having positive or neutral impacts on ratepayer affordability. It further asks whether modifying existing GOs is the most effective mechanism for achieving this goal and, if so, which GOs are most important to modify to achieve this goal. Overall, no parties are strongly opposed or strongly supportive of modifying GOs or creating a standalone Climate Adaptation GO.

SDG&E asserts that the CAVA framework, process, and cadence are sufficient for providing immediate guidance on near-term climate-related decisions but notes that a dedicated Climate Adaptation GO could enhance CAVAs by offering long-term consistency across the state and help guide climate resilience investments.[4] SDG&E recommends piloting updates to individual GOs through a single GO first. If the Commission were to update GOs, SDG&E

[4] SDG&E Opening Comments on the August 18, 2025, Assigned Commissioner's Ruling at 5.

recommends GOs 165, 128, 95, and 166 for updating to incorporate climate adaptation needs.[5] Cal Advocates supports SDG&E's recommendations to pilot updating GOs by first revising a single GO as well as SDG&E's position that a dedicated Climate Adaptation GO could enhance CAVAs.[6] SBUA also supports SDG&E's approach.[7]

SCE does not identify any specific modifications to GOs that are necessary to ensure safety, reliability, and resilience and recommends that any discussion about GOs be aligned with the groundwork already laid by CAVAs and RAMPs. SCE further notes that GOs provide a baseline for design standards but SCE also considers industry standards that may result in it going beyond the GO benchmark.[8] SCE asserts that GOs should not be modified where it is more effective to incorporate climate projections in complementary planning processes or internal standards but that GOs should be modified where they reference out-of-date data that should be updated with new climate-informed information (e.g., where historical exposure data is used to guide design decisions today).[9]

PG&E sees modifying GOs as a potentially useful tool but recommends against it being the primary or sole mechanism for achieving the Task 6 goal. PG&E does not identify any GOs that might be relevant to the present

[5] *Id*. at 6.

[6] Cal Advocates Reply Comments on the August 18, 2025, Assigned Commissioner's Ruling at 1 – 3.

[7] SBUA Reply Comments on the August 18, 2026, Assigned Commissioner's Ruling at 5.

[8] SCE Opening Comments on the August 18, 2025, Assigned Commissioner's Ruling at 9 – 10.

[9] *Id*. at 10 – 11.

proceeding.[10] PG&E notes that it is making progress on the Task 6 goal through the existing CAVA process.[11]

4.2. Discussion on Whether the Commission Should Update Any General Orders to Ensure they Appropriately Address Climate Adaptation Needs

We consider here two questions. First, we consider whether the Commission should update any GOs to ensure they appropriately address climate adaptation needs. Specifically, we examine the stated goal of ensuring adequate incorporation of climate adaptation considerations into energy utility planning and processes to improve ratepayer safety, reliability, and resilience while having a positive or neutral impact on ratepayer affordability. Second, we consider whether a standalone Climate Adaptation GO would effectively address this goal.

As noted in Section 4.1, no party strongly opposes direct modifications of individual GOs to incorporate climate adaptation needs or a standalone Climate Adaptation GO. IOUs, however, argue that modifying GOs would be burdensome and in some cases may be redundant with current utility practices. The goal of modifying GOs was to address low impact and immediate opportunities as it relates to climate adaptation. This could mean that when building new infrastructure, a utility is also taking into consideration the risks of climate change and thus reducing the need to do so at a later date. However, based on comments it is clear there are unknown risks with modifying GOs, including risks of redundancy that could result in unnecessary additional costs or other inefficiencies. As such, we do not find that at this time there is sufficient

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[10] PG&E Opening Comments on the August 18, 2025, Assigned Commissioner's Ruling at A-7 – A-9.

[11] *Id*. at A-9 – A-10.

evidence to support that modifying several GOs would improve climate adaptation's incorporation into infrastructure planning and safety processes.

We agree, in principle, with an incremental approach similar to that suggested by SDG&E.[12] There are merits to piloting changes to GOs before modifying several individual GOs, as the impact to utility planning and building could be evaluated through this incremental implementation. Specifically, the impact to cost, affordability, and infrastructure resiliency could be monitored prior to broader GO changes. We also find that it is premature to develop a standalone Climate Adaptation GO as a pilot. Given changes to the timing of CAVA filings in D.24-08-005[13] that were intended to allow for the incorporation of climate adaptation vulnerability considerations into RAMP filings, and subsequent GRC filings, it is premature to modify specific GOs or develop a standalone Climate Adaptation GO before assessing how effective these CAVA filing changes are.

5. Climate Adaptation Framework

SPD, in its proposed Climate Adaptation Framework (the Framework) issued with the April 13, 2026, Assigned Commissioner's Ruling, asserts that the scale, complexity, uncertainty, and interdependencies of climate change necessitate establishing a uniform collection of information and data on the use of climate adaptation hazard and risk requirements established by the Commission. To address this need, which addresses issue 5 Task 2 in the Amended Scoping Ruling, SPD developed the Climate Adaptation Framework. SPD examined existing regulatory requirements through an analysis of existing

[12] SDG&E Opening Comments on September 8, 2025, Assigned Commissioner's Ruling at 5.

[13] D.24-08-005 at Ordering Paragraph 1.

GOs, Commission decisions, and workshop participation materials, among other sources. Using a screening process to identify GOs that could be modified to better account for a changing climate and common policy themes, SPD developed five climate adaptation policy areas:

1. **Repetitive Loss and Failure**: the recurring damage, failure, or service disruption impacting the same utility asset over time, typically driven by persistent or worsening underlying conditions. This can also include the loss, degradation, or unsafe operation of a utility system that prevents it from performing its intended function in compliance with Commission safety, reliability, and service standards.
2. **Site Selection**: the process by which locations for utility infrastructure projects are identified, evaluated, and approved to ensure they are safe, cost-effective, and consistent with Commission policy and regulations.
3. **Design and Engineering**: the physical modification, replacement, or new construction of utility infrastructure regulated by the Commission. This can also refer to the substantial rebuilding, replacement, or reconfiguration of existing infrastructure.
4. **Equipment Tolerance:** the ability of utility equipment to safely and reliably perform within specified physical, electrical, mechanical, and environmental limits over its intended service life, especially during the extreme events anticipated under a changing climate.
5. **Climate Risk Modeling:** the science-based methods that utilities and regulators use to identify, evaluate, and manage risks to regulated infrastructure and operations arising from current and projected climate conditions. This includes modeling climate risks, assessing asset exposure and vulnerability, estimating the likelihood and consequences of hazards, and integrating these results into planning, inspections, maintenance, reconstruction, and emergency preparedness.

Using these five policy areas SPD proposes a three-step process, described below, to apply to all applications or filings filed before the Commission related to infrastructure planning, construction, maintenance, and risk management; including, but not limited to, applications filed pursuant to GO 131-E, GO 177, and emergency response filings pursuant to GO 166 and D.21-06-034, filed with the Commission by energy IOUs. SPD proposes that the three-step process be implemented as guidance (i.e., as optional) and not a requirement.

The first step in the proposed process is to screen applications or filings for relevance to the five policy areas using a "yes/no" screening question per policy area (Table 1).

Table 1
Step 1: Screening Questions

Climate Adaptation Policy Area	Screening Question
Repetitive Loss and Failure	Does the application address assets with a history of recurring damage or failure and factor in future climate risk?
Site Selection	Does the application involve selecting a location for new infrastructure or evaluating the safety of existing sites?
Design and Engineering	Does the application propose design standards, material selection, or construction of physical assets?
Equipment Tolerance	Does the application specify equipment ratings (e.g., thermal, wind, load) or replacement of aging assets?
Climate Risk Modeling	Does the application rely on weather data, risk forecasting, or long-term planning assumptions?

If the answer to any of the questions in Step 1 is "yes," the application or filing would go to Step 2, policy area analysis. For Step 2, SPD proposes that the applicant must explain within the application or filing how the application or filing relates to the IOU's most recent CAVA, RAMP, and any other of the IOU's climate adaptation analysis and planning efforts. If there is no relationship, the IOU must explicitly state so and explain why. For each of the applicable policy areas (i.e., those for which the answer in Step 1 was "yes"), SPD proposes that the IOU provide a narrative explanation that addresses each of the following topics:

1. Describe the climate risks (i.e., expected conditions) that may impact the proposal in the future.
    a. Include the risks that may have been addressed during the planning and design of the proposal.
2. Describe what modeling was used to base this analysis upon, such as the modeling methodology and time horizon(s) considered.
3. Describe the historical concerns for the specific location/project, including:
    a. Reconstruction from disaster and mitigation measures for projected climate change conditions.
    b. Repetitive loss from climate change conditions.
    c. History of system failure tied to climate change conditions.
4. Explain how the above climate risks and historical concerns are addressed in the application. This should include those climate risks and historical concerns addressed in the planning and design process.
5. Provide other considerations when identified climate risks and historical concerns are not fully addressed.
6. Provide additional analysis and data related to climate adaptation for the application in question.
7. Where a reasonable effort to identify climate risks was made and no climate risks to the proposed action are identified, no further discussion may be necessary.

Step 3 of the proposed Framework is tracking and monitoring the implementation of the Framework. SPD proposes in Step 3 that the IOUs provide an annual report summarizing, at minimum, how the Framework was integrated into applicable filings during the annual reporting period. As proposed, the annual report would identify:

- The number of applications or filings filed during the reporting period,
- The number of reports for which no climate change risks are identified,
- The applications or filings that the Framework applies to,
- The applications or filings the IOU identified as having no climate risk,
- The applications or filings in which the IOU addressed all identified climate risks without modifications or additions ordered by the Commission in its approval to how climate risks were addressed, and
- A narrative summary explanation of each of the climate risks that the IOU identified but that the Commission determined required modifications or additions to the application or filing to show how those climate risks were addressed prior to approval.

5.1. Party Comments

We structure a review of comments on the Framework by the question categories posed in the April 13, 2026, Assigned Commissioner's Ruling. In general, PG&E, SCE, SoCalGas, and SDG&E oppose the establishment of the Framework as a set of requirements for IOUs to include when filing applications before the Commission, noting that it is duplicative of other efforts, including CAVAs and RAMPs, and undermines streamlining efforts for GO 131-E. SBUA supports establishment of the Framework. The Small and Multi-Jurisdictional

Utilities (SMJUs), namely, Bear Valley, Liberty, Alpine, and PacifiCorp, and CWA argue they should be exempt from any requirements under the Framework.

5.1.1. Approaches to Implementing the Climate Adaptation Framework

PG&E opposes implementation of the Framework. PG&E argues that for the Framework to be effective, the Framework should enhance existing risk-based decision-making structures and avoid duplicative reporting. PG&E opposes creating a new, narrowly focused reporting requirement on how climate change is considered in project-level decision-making. PG&E notes that it is unclear how project level disclosures using the Framework would be viewed against the existing Risk-Based Decision-Making Framework.[14] PG&E recommends that the Framework be explored as a pilot.[15]

SDG&E opposes implementation of the Framework as a new set of filing rules or screening requirements but does support the Framework as a principles-based guide. SDG&E asserts that the CAVA remains the foundational source of climate vulnerability data and analysis. SDG&E further states that the Framework should serve to clarify how the existing information is considered proportionately and where decision-relevant without introducing new requirements, datasets, models, metrics, or procedural complexity in regulatory applications or filings.[16] SDG&E opposes creating a new standalone metric or expanding existing CAVA requirements. SDG&E notes that the Commission already requires the IOUs to transparently integrate climate data, models, and

[14] PG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 5.

[15] *Id.* at 6.

[16] SDG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 3.

projections in their RAMP filings through the Risk-Based Decision-Making Framework.[17] SDG&E argues that the Framework should not apply to areas where climate impacts are already considered.[18]

SCE opposes implementation of the Framework. SCE notes that a climate adaptation governance structure and regulatory construct already exists and, as such, the Framework is duplicative. Specifically, SCE notes that the Commission has directed the sequential filing of CAVAs and RAMPs to ensure that the analysis undertaken in CAVA filings informs RAMP filings, which subsequently inform GRC filings.[19] SCE recommends that if the Commission implements the Framework, the IOUs should only be required to share a narrow, implementation-focused narrative of which climate change vulnerabilities were uncovered, what climate adaptation measures incorporated into a given application, and why.[20]

SBUA supports the Framework and recommends that the cost effectiveness of climate adaptation measures be assessed by comparing the capital and operating costs of climate adaptation measures against the value of avoided damages and maintained service. SBUA further suggests that the cost effectiveness analysis should include intangible benefits and costs, such as environmental and social benefits and costs.[21] SBUA suggests several possible metrics to measure utility progress implementing climate adaptation actions under the Framework. These include the percentage of customers experiencing

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[17] *Id*. at 3 – 4.

[18] *Id*. at 5.

[19] SCE Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 3 – 4.

[20] *Id.* at 10.

[21] SBUA Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 1 – 2.

complete interruptions of utility services and associated durations of complete interruption; percentage of customers experiencing degradation of utility services and associated durations of degraded service; proportion of customers experiencing interruption of utility services which are in DVCs; proportion of customers experiencing degradation of utility services which are in DVCs; and the number of customers protected from significant infrastructure damage risk. SBUA also recommends that IOUs should be required to report on cost-effectiveness considerations, given the tension between climate adaptation and affordability.[22]

Both PG&E[23] and SCE[24] oppose SBUA's proposed metrics on the grounds that they are unnecessary and duplicative of RAMP and CAVA analyses.

5.1.2. Applicability and Project Thresholds

PG&E argues that the Framework should exclude administrative filings, filings involving no significant changes in asset design, filings related to Public Safety Power Shutoffs and operational wildfire mitigation reporting, and filings related to GO 131-E, GO 177, or GO 166.[25] Further, PG&E recommends against a screening criteria approach for determining which applications the Framework should apply. PG&E instead proposes a focus on the strategic application of climate change projections in the updating of asset design standards. PG&E argues that a screening criteria approach creates unnecessary administrative burden and cost by including routine filings that do not have a significant climate adaptation consideration, which must then be filtered out. As such,

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[22] *Id.* at 2 – 3.

[23] PG&E Reply Comments on April 13, 2026, Assigned Commissioner's Ruling at 4.

[24] SCE Reply Comments on April 13, 2026, Assigned Commissioner's Ruling at 2 – 3.

[25] PG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 7 – 8.

PG&E argues that applying the Framework only to the utilities' largest strategic decision-making processes, rather than a multitude of project-level applications, is preferred.[26] If the Commission establishes a dollar-threshold value for application of the Framework, PG&E recommends a cumulative $100 million over four years for capital programs and $15 million in the test year for expense programs, as outlined in the CAVA Investment Proposal Guidelines set forth in D.24-08-005.[27]

SDG&E recommends that all thresholds for use of the Framework be applied proportionally, in a decision-relevant way, and should align with RAMP, RDF, and SPD-37 guidelines focusing on risk prioritization rather than capital expenditure thresholds alone. SDG&E views the Framework as a principles-based guide, as guardrails around existing practice, not as a new process.[28]

SoCalGas argues that the Framework is unnecessary given the Commission's integration of climate change adaptation into utility processes through the four-year cycle. If the Framework is adopted, SoCalGas recommends that applications not related to GO 177's Certificate of Public Convenience and Necessity (CPCN) be excluded from the Framework and highlights the CPCN as the appropriate time for application of the Framework.[29] SoCalGas supports a threshold of $75 million, which aligns with GO 177.[30]

SCE opposes implementation of the Framework because its project-by-project approach will invite serial challenges to projects. SCE argues that this

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[26] *Id.* at 8 – 9.

[27] *Id.* at 9.

[28] SDG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 6.

[29] SoCalGas Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 5.

[30] *Id.* at 6.

project-by-project approach would, "…erode years of deliberate streamlining reform efforts…designed to accelerate the critically important energy infrastructure development necessary to achieve California's clean energy goals."[31] SCE notes that implementation of the framework could most significantly affect projects governed by GO 131-E. While SCE recommends against adopting the Framework, they request that if the Framework is adopted, GO 131-E projects be exempted from the Framework's scope.[32]

SBUA recommends applying the Framework to all application and filings with significant outlays,[33] though SBUA does not clearly state what the threshold for a "significant" outlay would be, providing an example of $500,000 or less than 5 percent of a utility's Climate Adaptation Budget, whichever is lower, or, alternatively, a multi-criteria assessment based on risk exposure.[34]

5.1.3. Technical Refinement of Policy Areas

PG&E argues that the five policy areas (i.e., Equipment Tolerance, Repetitive Loss and Failure, Climate Risk Modeling, Site Selection, and Design and Engineering) are insufficiently defined and targeted. As such, PG&E has objections or proposed expansions for each of the five policy areas.

First, PG&E recommends that the Equipment Tolerance policy area should include an alternative to equipment tolerance of designed redundancy and designs that allow equipment to fail safely and have engineering controls as well as additional information on what the Commission would consider reasonable

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[31] SCE Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 5.

[32] SCE Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 5 – 6.

[33] SBUA Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 4.

[34] *Id.* at 5.

safety factors when using climate protection in engineering equipment tolerance and critical threshold decisions.

Second, PG&E recommends that Repetitive Loss and Failure have more refined language to explicitly include the timeframe of expected life of assets in relation to repetitive losses and failures of assets. Relatedly, PG&E argues that root cause analysis of repetitive loss and failure events should not include a presumption that a clear connection to climate change impact can be documented or proven.

Third, PG&E objects to the inclusion of Climate Risk Modeling, as this is more appropriate for the RDF and is generally duplicative of other efforts.

Fourth, PG&E argues that Site Selection is more appropriate at a strategic level rather than a project-by-project evaluation and should focus on the assumptions and data sources PG&E uses in its climate hazard assessments for the CAVA rather than undertaking project level evaluation of each site.

Finally, PG&E recommends that Design and Engineering include customer demand changes that can impact operations of assets, such as how higher loads due to larger temperature variations can stress aging infrastructure over time.[35]

SDG&E views the five policy areas as sufficient as high-level guidance to help identify where climate adaptation considerations may be relevant. SDG&E warns against the redundancy that could result if the five policy areas function as a new checklist for regulatory filings instead of drawing on existing CAVA insights and addresses gaps where they exist.[36] SDG&E recommends applying the five policy areas through a consistent risk-based sequence rather than by

[35] PG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 9 – 12.

[36] SDG&E Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 6.

tailoring them to specific application type. SDG&E notes that material risk prioritization already occurs through existing CAVA, RAMP, and GRC processes and asserts that requiring separate, application-specific ranking of all policy areas could be onerous, duplicative, and increase costs to customers without improving decision quality.[37]

Like PG&E, SoCalGas argues that the five policy areas' definitions are extremely broad, and could subject thousands of very minor projects to evaluation according to the Framework. SoCalGas recommends two revisions to the definitions. First, SoCalGas recommends that the definition for Equipment Tolerance include the word "and" between "electrical," and "mechanical," and that the phrase "…and environmental" be removed. Second, SoCalGas recommends that Climate Risk Modeling be removed in entirety, since this topic is already addressed in D.19-10-054 and D.24-08-005.[38] Notwithstanding its position on the five policy areas, SoCalGas notes that activities required of the Framework are duplicative of those performed in the CAVA and highlights the existing CAVA-RAMP-GRC regulatory construct.[39]

SCE recommends several refinements to the policy areas in the Framework and recommends that the definitions in the Framework should be revisited over time based on implementation experience. These include clearly distinguishing between forward-looking climate projections and historical or present-day conditions; clarifying that policy areas apply to both legacy and new infrastructure, while recognizing differences in how adaptations may be implemented; clarifying expectations for climate risk modeling, and arguing that

[37] *Id*. at 7.

[38] SoCalGas Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 6 – 8.

[39] *Id*. at 8.

RAMP and CAVA analyses are more appropriate venues for climate risk modeling; including illustrative examples of concepts like repetitive loss and failure, site selection, and design consideration, in support of consistent interpretation; and distinguishing between the establishment of core climate change models and methods in CAVAs and Commission decisions and application-level use of those models and methods in the Climate Risk Modeling policy area.[40]

SBUA recommends that the five policy areas should be applied to those utility applications that are most susceptible to climate events, though it provides no definition of how "most susceptible" should be determined.[41] SBUA recommends emerging technologies be given special assessment for climate vulnerabilities, given their newness.[42]

5.1.4. Framework Scope

SCE argues that the Framework's scope should be limited to new applications and should exclude advice letters, compliance filings, informational reports, and other non-application submissions[43] as well as near-term and backward-looking operational filings, including Public Safety Power Shutoffs.[44] SCE argues that applying the Framework to non-application filings would effectively impose new analytic and narrative expectations on activities and

[40] SCE Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 18.

[41] SBUA Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 6.

[42] *Id*. at 6 – 7.

[43] SCE Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 10 – 11.

[44] *Id.* at 12 – 13.

programs that have already been reviewed and approved in GRCs and that this raises concerns of retroactive standard-setting and regulatory uncertainty.[45]

5.1.5. Small and Multi-Jurisdictional Utilities and Other Load Serving Entities

The SMJUs all oppose application of the Framework to SMJUs due to their size and related resource constraints.[46] CWA opposes application of the Framework to water utilities due to the unique needs of water utilities relative to energy utilities.[47] PG&E supports the SMJUs' position that SMJUs should be exempt from the Framework.

SBUA supports application of the Framework to SMJUs.[48]

5.2. Discussion

We consider whether SPD's proposed Framework adequately incorporates climate adaptation considerations into energy utility planning processes and safety requirements for electrical infrastructure and equipment to improve ratepayer safety, reliability, and resilience while having a positive or neutral impact on ratepayer affordability.

5.2.1. Whether SPD's Proposed Framework Supports the Incorporation of Climate Adaptation Into Planning and Safety Processes

We are persuaded that the Framework, as modified in this Decision, provides the highest likelihood of achieving the stated goal of Task 5. The Framework allows for a tighter coupling between the work undertaken in the

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[45] *Id*. at 11.

[46] Alpine Opening Comments on April 13, 2026, Assigned Commissioner's Ruling; PacifiCorp Opening Comments on April 13, 2026, Assigned Commissioner's Ruling; Bear Valley and Liberty Joint Opening Comments on April 13, 2026, Assigned Commissioner's Ruling.

[47] CWA Opening Comments on April 13, 2026, Assigned Commissioner's Ruling.

[48] SBUA Opening Comments on April 13, 2026, Assigned Commissioner's Ruling at 8.

CAVAs, RAMPs, and other risk assessment tools and the multitude of individual IOU planning and infrastructure applications that appear before the Commission, ensuring that climate adaptation considerations are made explicit and are included where relevant. In this manner, this approach supports the objective of Task 5 to better incorporate climate adaptation into planning and safety. Further, this approach will provide information that can inform future Commission consideration of GO modifications to address climate adaptation and support assessment of the CAVA filing changes established in D.24-08-005 to determine whether the changes are effectively supporting the incorporation of climate adaptation considerations into RAMP filings, GRC filings, and other relevant applications. Leveraging the reporting proposed in the SPD Framework, the Commission may consider modifications of individual GOs to incorporate climate adaptation considerations or a standalone Climate Adaptation GO.

As such, we adopt the Framework, with the following modifications.

5.2.2. Scope of the Framework

We agree with SCE that the Framework should apply only to new applications and not to non-application filings. As SCE argues, applying the Framework to non-application filings would impose upon activities and programs that have already been reviewed and approved in GRCs, which are informed by both CAVAs and RAMPs. As such, we limit scope of the Framework to new applications. We further clarify that the Framework will apply to any IOU that files both CAVAs and RAMPs. Currently, that includes PG&E, SDG&E, SoCalGas, and SCE. While SPD proposes the Framework as optional, we clarify that the Framework, as modified in this decision, is mandatory. An optional implementation may result in no implementation at all and thus would not have the intended impact.

5.2.3. Process

Step 1 will now be referred to as Identification. We make no additional modifications to Step 1 of SPD's proposed identification process. We find the five climate adaptation policy areas for screening—1) Repetitive Loss and Failure, 2) Site Selection, 3) Design and Engineering, 4) Equipment Tolerance, and 5) Climate Risk Modeling—will provide a sufficient breadth of application topics relevant to climate adaptation needs. This is consistent with SDG&E's comments that the five policy areas are sufficient as high-level guidance to help identify where climate adaptation considerations may be relevant.

Based on IOU comments, we are persuaded that Step 2 of the Framework, policy area analysis, is duplicative of the efforts the IOUs already undertake in their CAVAs and RAMPs. We therefore remove Step 2 from the Framework as duplicative efforts will not further the goal of Task 5 and could add unnecessary cost that could be passed onto ratepayers.

Step 3 is now referred to as Tracking and Monitoring. As the step previously referred to as Step 2 will be removed, this step in the Framework, Tracking and Monitoring, will be referred to as Step 2 going forward. We find this step is necessary for furthering the goal of Task 5, as it will provide for closer coupling between current IOU climate adaptation actions, like CAVA and RAMP, and will enable future action, as necessary, based on the findings. For Tracking and Monitoring, the IOUs shall host a joint annual workshop to present where and how they have integrated climate adaptation across the five policy areas into the applications that each IOU has filed with the Commission over the last year and issue a joint annual report. Starting in 2028, the IOUs shall provide notice of the workshop to all Commissioner offices, Office of Energy Infrastructure Safety, and the service lists for the Climate Adaptation rulemaking, RAMP proceeding, and any successor proceedings addressing CAVAs or RAMPs. The IOUs shall coordinate with SPD staff during the planning of the workshop and must ensure SPD staff input is considered in the planning of the agenda. Each utility must present on their required annual report, areas of intersection with the RAMP and CAVA, and any identified gaps observed in our approach to climate adaptation and planning.

Starting in 2028, the annual report shall be submitted on May 1 of each year with a reporting period of the preceding 12 months beginning April 1 and ending March 31 of the filing year. This annual report shall contain:

1. The number of infrastructure project applications the IOU is seeking Commission authorization for that have been filed, are in review, or closed during the reporting period.
2. The number of applications that did not identify related climate change risks.
3. For each application identified, the report shall include the following. However, for applications without an identified climate risk, the report shall only address (a) and (b):
   a. A description of the application, including the application objective and any identified climate risks associated with the subject of the application, as well as the procedural status of the application as of the report's filing date.
   b. The GOs that govern the application, based on the IOU's assessment of GO applicability.
   c. The hazard(s) identified in the CAVA, RAMP, and any other of the applicant's climate adaptation analysis and planning efforts that are associated with the application.
   d. Historical concerns about specific locations associated with the application (e.g., for siting the subject of the infrastructure project(s) addressed by the application). This section should refer specifically to the applicant's

CAVA, RAMP, and any other climate adaptation analysis and planning efforts.

e. Description of what modeling was used to assess and plan the subject of an application and the time horizon(s) considered. This section should refer specifically to the applicant's CAVA, RAMP, and any other climate adaptation analysis and planning efforts.

f. The actions taken to adapt the subject of the application for identified future climate risks.

The Framework will apply to any new applications filed by the IOUs, effective upon issuance of this decision.

Following submission of the required annual report, the IOUs shall host a joint workshop no later than June 30 of each year to summarize the integration of climate adaptation across the five policy areas into applications filed with the Commission, as described in the annual report.

As the annual IOU-led workshops may identify needed changes to the reporting requirements, following the first reporting period and workshop the IOUs may file a joint Tier 3 Advice Letter resolved through Resolution within 60 days of the workshop to propose modifications to the reporting requirements. Prior to filing a Tier 3 Advice Letter, the IOUs should first meet and confer with SPD staff to discuss the potential changes. A joint Tier 3 Advice Letter must then include:

- Proposed modifications to the reporting metrics,
- Justification for why modifying the reporting metrics supports the objective of the report, as outlined in this decision,
- How the IOUs' proposal addresses any feedback that SPD staff provided prior to filing.

6. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

7. Conclusion

In this decision, we have adopted the Framework proposed by SPD with the modifications described above. Upon issuance of this decision, the Framework will apply to new applications filed by any IOU that files both CAVAs and RAMPs. This currently includes the large IOUs, PG&E, SCE, SoCalGas, and SDG&E. As such, all applications filed by PG&E, SCE, SoCalGas, and SDG&E will go through the Identification step where they will be screened through questions related to the five policy areas of Repetitive Loss and Failure, Site Selection, Design and Engineering, Equipment Tolerance, and Climate Risk Modeling to determine if the Framework applies to them. The second step of the Framework is Tracking and Monitoring. Beginning in 2028, the IOUs shall host an annual workshop as described above in this decision. The IOUs shall present how the five policy areas set out in the Framework have been incorporated into each of the applications filed with the Commission by each IOU. The IOUs are additionally required to file an annual report by May 1 each year with specific information to aid tracking and monitoring of climate adaptation activities. This proceeding remains open.

8. Comments on Proposed Decision

The proposed decision of Commissioner Darcie L. Houck in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities

Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on __________, and reply comments were filed on _____________ by ________________.

9. Assignment of Proceeding

Darcie L. Houck is the assigned Commissioner, and Trevor Pratt and Jonathan Lakey are the assigned Administrative Law Judges in this proceeding.

Findings of Fact

1. On April 10, 2025, the Assigned Commissioner issued a ruling noticing a Safety Policy Division Staff-led workshop opening Phase 3 of the present proceeding and addressing the need for updates to General Orders (GOs) to reflect climate adaptation.
2. The April 13, 2026, Assigned Commissioner's Ruling issued the Safety Policy Division staff proposed Climate Adaptation Framework (the Framework).
3. The Framework proposed five climate adaptation policy areas and a three-step process for screening applications or filings for relevance to the five policy areas, subsequent policy area analysis, and tracking and monitoring.
4. Of the options considered, a modified version of the Framework is the most likely to yield the desired goal of ensuring adequate incorporation of climate adaptation considerations into energy utility planning and processes to improve ratepayer safety, reliability, and resilience while having positive or neutral impacts on ratepayer affordability.
5. The Framework, with modifications described in this decision, will enable the Commission to monitor the continuing implementation of climate adaptation planning to determine when, or if, modifications to individual General Orders may be necessary.

Conclusions of Law

1. The Framework should be adopted, with specified modifications.
2. It is reasonable to require the IOUs to file a joint annual report with specific information to aid tracking and monitoring of climate adaptation activities.
3. It is reasonable to require the IOUs to host a joint workshop each year to summarize the integration of climate adaptation across the five policy areas into applications filed with the Commission, as described in the annual report.
4. The modified Framework will provide information that can inform future Commission consideration of General Order modifications to address climate adaptation and support assessment of the CAVA filing changes established in D.24-08-005.

O R D E R

IT IS ORDERED that:

1. The Climate Adaptation Framework in Attachment A is adopted.
2. Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company shall jointly prepare and submit an annual report to Safety Policy Division at the Commission by May 1 of each year beginning in 2028 covering the period from April 1 through March 31 of the filing year. The report shall contain the elements described in Attachment A and shall be served to the service list of the present proceeding or any successor proceeding(s).

5. By June 30 of each year, beginning in 2028, Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric

Company, and Southern California Gas Company shall hold a joint workshop summarizing and discussing the annual joint report.

6. Following the first reporting period and workshop, Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) may file a joint Tier 3 Advice Letter within 60 days of the workshop each year to propose modifications to the reporting requirements. Prior to filing a Tier 3 Advice Letter, SCE, PG&E, SDG&E, and SoCalGas must meet with Safety Policy Division staff to discuss the potential changes. A joint Tier 3 Advice Letter must then include:

   (a) Proposed modifications to the reporting requirements,

   (b) Justification for why modifying the reporting metrics supports the objective of the report, as outlined in this decision,

   (c) How the proposal addresses any feedback that Safety Policy Division staff provided prior to the filing.

7. Rulemaking 18-04-019 remains open.

This order is effective today.

Dated October __, 2026, at San Francisco, California.

Appendix A

Climate Adaptation Framework

Climate Adaptation Framework

The five climate adaptation policy areas:

1. **Repetitive Loss and Failure**: the recurring damage, failure, or service disruption impacting the same utility asset over time, typically driven by persistent or worsening underlying conditions. This can also include the loss, degradation, or unsafe operation of a utility system that prevents it from performing its intended function in compliance with Commission safety, reliability, and service standards.
2. **Site Selection**: the process by which locations for utility infrastructure projects are identified, evaluated, and approved to ensure they are safe, cost-effective, and consistent with Commission policy and regulations.
3. **Design and Engineering**: the physical modification, replacement, or new construction of utility infrastructure regulated by the Commission. This can also refer to the substantial rebuilding, replacement, or reconfiguration of existing infrastructure.
4. **Equipment Tolerance**: the ability of utility equipment to safely and reliably perform within specified physical, electrical, mechanical, and environmental limits over its intended service life, especially during the extreme events anticipated under a changing climate.
5. **Climate Risk Modeling**: the science-based methods that utilities and regulators use to identify, evaluate, and manage risks to regulated infrastructure and operations arising from current and projected climate conditions. This includes modeling climate risks, assessing asset exposure and vulnerability, estimating the likelihood and consequences of hazards, and integrating these results into planning, inspections, maintenance, reconstruction, and emergency preparedness.

Step 1: Identification. Applicable utilities will screen Applications for relevance to the five policy areas using a "yes/no" screening question per policy area (Table 1).

Table 2
Step 1: Screening Questions

Climate Adaptation Policy Area	Screening Question
Repetitive Loss and Failure	Does the application address assets with a history of recurring damage or failure and factor in future climate risk?
Site Selection	Does the application involve selecting a location for new infrastructure or evaluating the safety of existing sites?
Design and Engineering	Does the application propose design standards, material selection, or construction of physical assets?
Equipment Tolerance	Does the application specify equipment ratings (e.g., thermal, wind, load) or replacement of aging assets?
Climate Risk Modeling	Does the application rely on weather data, risk forecasting, or long-term planning assumptions?

Step 2: Tracking and Monitoring: The IOUs shall host a joint annual workshop and provide an annual report summarizing, at minimum, how the Framework was integrated into applicable filings during the annual reporting period.

Starting in 2028, the annual report shall be submitted to Safety Policy Division on May 1 of each year with the reporting period of the preceding 12 months beginning April 1 and ending March 31 of the filing year. The annual report shall contain:

(a) The number of infrastructure project applications the IOU is seeking Commission authorization for that have been filed, are in review, or closed during the reporting period.

(d) The number of applications that did not identify related climate change risks.

(e) For each application identified, the report shall include the following. However, for applications without an identified climate risk, the report shall only address (a) and (b):

a. A description of the application, including the application objective and any identified climate risks associated with the subject of the application, as well as the procedural status of the application as of the report's filing date.

b. The GOs that govern the application, based on the IOU's assessment of GO applicability.

c. The hazard(s) identified in the CAVA, RAMP, and any other of the applicant's climate adaptation analysis and planning efforts that are associated with the application.

d. Historical concerns about specific locations associated with the application (e.g., for siting the subject of the infrastructure project(s) addressed by the application). This section should refer specifically to the applicant's CAVA, RAMP, and any other climate adaptation analysis and planning efforts.

e. Description of what modeling was used to assess and plan the subject of an application and the time horizon(s) considered. This section should refer specifically to the applicant's CAVA, RAMP, and any other climate adaptation analysis and planning efforts.

f. The actions taken to adapt the subject of the application for identified future climate risks.