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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 December 3, 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: asf

Attachment

Decision **PROPOSED DECISION OF COMMISSIONER DARCIE L. HOUCK**
(Mailed 10/30/2026)

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 REFINING COMMUNITY ENGAGEMENT PRACTICES,
ESTABLISHING ADAPTIVE CAPACITY METRICS, AND
ADOPTING A CLIMATE LEXICON**

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Appendix A – Guidance on Community Engagement and Adaptive Capacity

Appendix B – Climate Lexicon

**DECISION REFINING COMMUNITY ENGAGEMENT PRACTICES,
ESTABLISHING ADAPTIVE CAPACITY METRICS, AND
ADOPTING A CLIMATE LEXICON**

Summary

This decision refines community engagement practices and establishes adaptive capacity metrics for Climate Adaptation and Vulnerability Assessment (CAVA) planning through the adoption of the *Guidance on Community Engagement and Adaptive Capacity*. This decision also replaces the Community Engagement Plan process with the Community Engagement Framework process to promote additional community engagement with the CAVA planning and analysis process for disadvantaged and vulnerable communities, increase transparency, and formalize required cadence of opportunities for engagement.

In addition, the decision authorizes Energy Division to hold workshops of a technical working group to determine the appropriate community adaptive capacity metric, whether that is to develop a new metric or customizing a pre-existing metric, and, once established, to issue updates to the adaptive capacity metrics through the resolution process. Finally, this decision adopts the Climate Lexicon with modifications, developed by the Climate Lexicon Working Group as ordered by Decision 24-08-005.

This proceeding is closed.

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 into 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, tools, prioritization of actions to address climate-change-related needs of Disadvantaged Vulnerable 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 Vulnerability Assessments (CAVAs) for large investor-owned utilities (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 Vulnerability Assessments*.

On July 10, 2026, the Assigned Commissioner issued a ruling entering Energy Division's Staff Proposal (Staff Proposal) and the Climate Lexicon Working Group's Climate Lexicon Report (Lexicon Report) into the record of this proceeding and requesting comment on these documents. The ruling noted that Energy Division held several workshops on community engagement and equity from September 2024 through September 2025, culminating in the Staff Proposal. On August 6, 2026, Southern California Edison Company (SCE), Small Business Utility Advocates (SBUA), Pacific Gas and Electric Company (PG&E), Center for Accessible Technology (CforAT), and, jointly, San Diego Gas & Electric Company

(SDG&E) and Southern California Gas Company (SoCalGas) (together, the Sempra Companies), filed respective opening comments on the Assigned Commissioner's Ruling. On August 13, 2026, SCE filed reply comments. The Commission's Disadvantaged Communities Advisory Group (DACAG) submitted a comment letter on September 18, 2026, which was formally added to the proceeding record by the September 21, 2026 Assigned Commissioner's Ruling. SCE and PG&E both filed comments on September 25, 2026.

1.1. Submission Date

This matter was submitted on September 25, 2026, upon filing of comments on the September 21, 2026, Assigned Commissioner's Ruling.

2. Jurisdiction

The Commission has broad authority and jurisdiction over investor-owned utilities (IOUs), 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.¹

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.²

¹ Pub. Util. Code § 451.

² 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 Phase 2 issues addressed in this decision are the following:

1. Task 2, Question 1: Should the Commission refine requirements regarding consultations with DVCs and the preparation of Community Engagement Plans (CEPs) adopted in D.20-08-046 with regard to large IOUs, including but not limited to:
 - a. Additional guidance regarding the purpose and intended outcomes of the CEP and DVC consultation processes?
 - b. Ways to reduce consultation fatigue and/or coordinate with other proceeding outreach processes?
 - c. Modifications to the definition of DVC adopted in D.20-08-026?
 - d. Additional guidance regarding consultation and collaboration with local governments during risk and vulnerability assessment processes? During adaptation proposal identification processes?
 - e. Refinement of Tribal consultation processes specific to climate adaptation matters?
 - f. Additional guidance regarding methods and scope for the determination of community adaptive capacity in CAVA analyses?
2. Task 3, Question 1: Should the Commission implement measures to integrate climate change considerations into other proceedings such that the climate projections reflected in the IOUs' CAVAs are factored into related regulatory planning processes or customer programs?
3. Task 3, Question 2: Are any feedback loops from other proceedings into R.18-04-019 needed (e.g., such as improved provision of incident data to inform CAVA processes)?
4. Task 4, Question 1: Should the Commission consider requirements for community engagement related to SMJU climate adaptation planning?

5. Task 4, Question 2: Should the Commission consider identifying any best practices, recommendations or requirements for SMJU climate adaptation planning and compliance filings?
6. Task 5 Question 1: Should the Commission consider creating a lexicon of terms related to climate adaptation planning that considers terms used in other proceedings?

With this decision, all outstanding issues are resolved and this proceeding should be closed.

4. Energy Division's Staff Proposal

In the Staff Proposal, Energy Division proposes several recommendations on how to improve CAVAs, particularly as they relate to community engagement and adaptive capacity. As stated in the Staff Proposal, Energy Division's goal on community engagement is to inform CAVA planning, implementation, and outcomes by seeking community input early and often, reflecting outcomes and impacts back to communities, and making continual improvements to the engagement process.³ To this end, Energy Division proposes replacing the existing CEP process with a Community Engagement Framework (CEF).

In the staff proposal, Adaptive Capacity is defined as:

"The broad range of responses and adjustments to daily and extreme climate change-related events available to communities. This includes the ability and resources communities have to moderate potential damages, take advantage of opportunities, and cope with consequences."⁴

³ Staff Proposal at 10.

⁴ Staff Proposal at 32.

One of Energy Division's goals in the Staff Proposal is to formalize the criteria IOUs use for analyzing priorities for community adaptive capacity. Towards this end, Energy Division proposes eight adaptive capacity criteria. We discuss the proposed CEF and Adaptive Capacity below.

4.1. Climate Engagement Framework

4.1.1. Public Touch Points

As Energy Division's Staff Proposal notes, DVCs should have the opportunity to inform and shape the CAVA, not just react to it.⁵ To ensure that this goal is achieved, Energy Division proposes three touch points for engaging with and soliciting feedback from DVCs during the CAVA cycle. These touch points would be formal venues for DVCs to inform and shape an IOU's CAVA during the CAVA development process when input can still be meaningfully incorporated, while also avoiding asking DVCs to provide input on proposals or claims that lack sufficient detail or clarity to generate meaningful input.

Touch Point 1, at the Scoping phase, would take place at the end of the first year of the CAVA cycle. The IOU would conduct a CEF kick-off meeting where the IOU would present its CEF evaluation reports from the previous cycle to inform the draft proposal of its next CEF plan. At the kick-off meeting, the IOU would also present its draft engagement plan and gather DVC feedback on both the CEF evaluation report from the previous CAVA cycle and the draft engagement plan to inform revisions of the IOU's CEF Plan. IOUs would submit their CEF Plans to the Commission as a Tier 2 advice letter approximately six months after the Touch Point 1 meeting, by November 15 of the CAVA cycle's second year.

⁵ Staff Proposal at 11 citing to Ordering Paragraph 9.6 of D.20-08-046.

Touch Point 2, at the Guiding phase, would take place in the middle of the third year of the CAVA cycle. Touch Point 2 consists of pre-prioritization check-in meetings, through regional workshops or similar meeting venues. During these meetings, IOUs would provide a plain language preview of relevant community adaptive capacity metrics to the DVCs, and allow DVCs to provide feedback that would inform CAVA priorities during the implementation of quantitative elements of the CAVAs.

The final touch point, Refining, would take place at the end of the fourth year of the CAVA cycle. Refining consists of the existing 90-day workshop established in D.24-08-005, where the IOU presents its near-complete CAVA to stakeholders and allows stakeholders to provide feedback to the IOU prior to submitting the CAVA to the Commission.

Energy Division proposes high-level development and implementation guidance for the three touch points. Energy Division proposes that IOUs:

- Must submit the CEF Plan as a Tier 2 advice letter explaining how the IOU will comply with the CEF process on November 15 of the second year, approximately six months after the first touch point,
- Must hold the three touch point meetings in the filing IOU's organizing regions,
- Should work to mitigate DVC consultation fatigue, promote cost-effectiveness, and reduce duplication in its outreach efforts,
- Must assemble a diverse panel of DVC participants to ensure representative feedback, possibly by leveraging the insights of local jurisdictions and Community-Based Organizations (CBOs),
- Should embrace two-way conversation through the touch point meetings, with the IOUs sharing updates and

providing educational context while communities have an opportunity to share their priorities and preferences.

- Must record the three touch point meetings, have them be open to the public, post the meeting materials and recording to IOU's CAVA webpage, and share a link to the recording and materials with the service list to the current CAVA proceeding,
- Should seek early input from Energy Division staff on any touch point meeting format, agenda, community consultation, outreach, presentation, and location accessibility,
- Should collect feedback on any touch point meeting for the IOU's evaluation survey, and
- Should describe CAVA community engagement across the CEF Plan, the actual CAVA, and should include a substantive CAVA chapter in the relevant GRC explaining how DVC engagement and adaptive capacity informed GRC investment proposals.

ED also proposes that the IOUs collaborate to jointly develop a consistent advice letter template, in consultation with Energy Division staff, describing how they will format their CEF plans, to be submitted as Tier 2 advice letters, to ensure the CEF plans address the Commission's community engagement guidance. Energy Division proposes that the CEF process should begin in 2027. Energy Division recommends that Energy Division staff draft a staff report after each IOU has implemented its CEF process to assess the effectiveness of the CEF process and recommend any revisions.⁶

4.1.2. Advisory Groups

Energy Division notes that the IOUs currently meet with advisory groups consisting of CBOs, DVCs, and parties to R.18-04-019, to create and implement

⁶ Staff Proposal at 11 – 14.

their CEP. However, based on workshop feedback and its own analysis, Energy Division recommends several refinements to how the IOUs engage with advisory groups. These recommendations are summarized below.

- a. Energy Division recommends that advisory groups meet in public with IOUs to increase transparency and build community trust.
- b. Energy Division recommends that advisory groups reflect the community of the service territory or region in question through diverse representation.
- c. Energy Division recommends that the IOUs use advisory group members as lead panelists at public touch point meetings to the extent possible.
- d. If advisory group member participation is not possible, Energy Division recommends that the IOUs create diverse ad hoc panels at the public touch point meetings.
- e. Energy Division recommends that advisory group members have staggered terms that overlap to help retain institutional knowledge.
- f. Energy Division recommends that Tribal representatives be given the opportunity to participate in a broader range of advisory groups, independent of the Tribal-specific advisory process discussed below.
- g. Energy Division recommends against allowing the IOUs to rely solely on advisory group members to execute their DVC outreach.⁷

4.1.3. Tribal Engagement

As the Staff Proposal notes, Native American Tribes (Tribes) are often located in remote rural areas with high wildfire risk and face unique climate adaptation barriers as DVCs. Energy Division points to the shift in approach towards Tribes in California's Fifth Climate Assessment. In particular, the Fifth Climate Assessment looks towards increased collaboration between Tribes and the State through Tribal Advisory Groups while incorporating indigenous

⁷ Staff Proposal at 15 – 17.

ecological knowledge of California. Energy Division suggests that IOUs and Tribes can both benefit from increased coordination and knowledge sharing. To facilitate this, Energy Division incorporated feedback from workshop participants and proposes requiring the IOUs to:

- Prepare a Tribal Engagement Plan as a discrete and robust section within the IOU's CEF Plan, which as part of the CEF Plan, is submitted to the Commission as a Tier 2 advice letter,
- Invite representatives from all Tribes within the IOU's service territory to participate in IOU tribal advisory groups, DVC advisory groups, and touch point meetings,
- Consider the unique status of Tribes as sovereign nations as well as the needs and preferences unique to each Tribe,
- Consider leveraging existing forums to engage Tribes in an efficient manner,
- Prioritize conducting engagement with Tribes in-person on tribal lands,
- Consider tribal stewardship of ancestral territories, tribal laws, and tribal jurisdiction over utility matters, and
- Incorporate principles resulting from the Commission's Tribal Rulemaking, R.22-02-002.⁸

4.1.3.1. Improvement to CAVA Coordination Activities

Given the commonalities of goals and activities for climate adaptation across several forums, Energy Division proposes that broader coordination would be beneficial to informing CAVAs and creating efficiencies to minimize engagement fatigue. In particular, Energy Division recommends coordination

⁸ Staff Proposal at 18 – 21.

between IOUs and local governments, other California state agencies, and across other Commission proceedings.

4.1.4. Local Governments

As noted in Energy Division's Staff Proposal, IOUs are not currently required to include government entities as part of their engagement plans. However, local governments and the IOUs have climate adaptation-related information and knowledge that would be mutually beneficial to share. To encourage this sharing, Energy Division proposes requiring the IOUs, in their CEF Plans and CAVAs, to describe how they coordinate with local governments to identify risks and priorities to inform their CAVAs, how they can leverage existing forums to engage with overlapping communities to mitigate consultation fatigue, and how they will identify local regions that may have low readiness factors that may intersect with high-risk CAVA ratings.⁹

4.1.4.1. Other California State Agencies

Energy Division's Staff Proposal highlights areas for increased coordination between other California state agencies and the IOUs that were raised at workshops. These include the Governor's Office of Land Use and Climate Innovation's (LCI) Vulnerability Community Platform (VCP) and the Integrated Climate Adaptation and Resilience Program (ICARP). Energy Division proposes requiring the IOUs, in their CEF plans and CAVAs, to describe how they use existing State forums to promote coordination and mitigate duplicative engagement and adaptive capacity efforts as well as how

⁹ *Id.* at 22 – 23.

they leverage existing forums to engage with communities and mitigate community fatigue.¹⁰

4.1.4.2. Other Commission Proceedings

Energy Division's Staff Proposal aims for greater transparency and explanation of how CAVAs inform adaptation investments in an IOU's GRC. Energy Division also recommends consistency in equity metrics across Commission proceedings, noting that equity metrics are being developed independently in several Commission proceedings. To achieve this, Energy Division recommends that the IOUs, in their CEF plan and CAVAs, describe how they coordinate across similar proceedings to streamline community engagement, leverage existing forums to mitigate engagement fatigue among participants, and use equity metrics in other proceedings to inform CAVA equity metrics to promote consistency.¹¹

4.1.5. CEF Evaluations

Energy Division notes that the Commission currently requires the IOUs to produce a post-CEF survey report to assess the effectiveness of its community outreach and engagement. However, Energy Division argues that the IOUs have applied this requirement inconsistently. To facilitate consistency across IOUs, Energy Division recommends that the IOUs, in the CEF evaluation process, be required to:

- Gather public input after each of the three public touch point meetings to inform improvements to subsequent touch point meetings and the final evaluation report,
- Develop a common evaluation template in a report (i.e., non-slide deck) format in consultation with their advisory

¹⁰ *Id.* at 24.

¹¹ *Id.* at 25 – 26.

groups and Energy Division staff and present the draft template at the third touch point meeting,

- Include metrics that reflect relevant criteria in the evaluation template,
- Include the organized raw data collected and a table of input received from DVCs, how it was incorporated, or why it was not in the appendix of the evaluation report,
- Survey DVCs more broadly, not just advisory group members, and
- Create and maintain an open feedback portal, such as an easily accessible email address or website, that community members can access at any time to provide comments on the CEF process.

Relatedly, Energy Division recommends requiring the IOUs to submit the evaluation report nine months after the CAVA is due, on February 15 of the first year of a CAVA cycle and eliminate the existing meet and confer requirement for the CEP survey.¹²

4.1.6. Other Issues

Energy Division notes two related issues to be addressed in this phase. First, Energy Division recommends that, while the definition of DVC is already broad, several important impacted groups are left out of the current definition. Energy Division notes that other proceedings use the DVC definition and recommends not changing it. However, Energy Division does recommend allowing the IOUs to consider climate impacts on other vulnerable communities, such as at-risk rural communities and the disabled community.

¹² *Id.* at 26 – 29.

Second, Energy Division argues that the recommendations in the Staff Proposal support all relevant goals of the Commission's Environmental and Social Justice Action Plan.¹³

4.2. Adaptive Capacity Metrics

Adaptive capacity, the broad range of adjustments to daily and extreme climate change-related events available to communities, was identified in D.20-08-046 as an important consideration in a communities' vulnerability to climate change. However, as Energy Division notes, the Commission has not provided guidance or specific criteria for measuring community adaptive capacity, instead allowing IOUs to explain how to apply this concept. Energy Division recommends providing this guidance here. Specifically, Energy Division proposes eight criteria to analyze adaptive capacity organized into three areas: public interest, transparency, and data resolution. Energy Division recommends that these criteria take effect starting with SDG&E's and SoCalGas' 2028 CAVA filing. Energy Division recommends that Energy Division staff facilitate a workshop to present these criteria to stakeholders. Energy Division also recommends that the IOUs explain, using plain language, how the IOUs use these criteria in CAVA filings and that the IOUs propose how to address the prioritization of competing criteria.

4.2.1. Public Interest Criteria

Energy Division proposes three criteria under public interest: public interpretability, ground-truthing through community engagement, and investment decision interpretability.

¹³ *Id.* at 29 – 31.

Regarding the first criterion, public interpretability, Energy Division argues that any results from the analysis of community adaptive capacity should be easily interpretable by the public to support meaningful community engagement and healthy discourse between stakeholders. To achieve this, Energy Division proposes requiring the IOUs to provide plain language, public explanations of what a given adaptive capacity metric measures is, what it does not measure, and how it should be interpreted. Energy Division also proposes that the IOUs share public-facing outputs that include geographically accessible summaries of CAVA results, an explanation of the main drivers of community scores, an explanation of impacts on communities, and an explanation of priority targets. Energy Division recommends that the IOUs be required to use public materials designed for accessibility, including multi-lingual summaries where needed, minimized use of jargon, and durable feedback channels that extend beyond one-time workshops. Finally, for public interpretability, Energy Division recommends that assumptions and limitations of adaptive capacity analyses be presented in a form that non-technical stakeholders can reasonably understand.

The second proposed criterion is ground-truthing through community engagement. Energy Division suggests that for ground-truthing to be meaningful, there must be a defined process for incorporating community feedback into model design and informing communities how their feedback was used. Energy Division recommends a process for ground-truthing that entails the IOUs:

- Solicit structured feedback on model outputs, key inputs, and major assumptions after initial results are available for review as part of the community engagement process;
- Maintain a response matrix that documents the feedback received, whether the feedback was incorporated, and the

reason for any decision not to incorporate it for publishing in its CAVA filing;

- Explain where community input materially conflicts with model outputs and whether the conflict led to revision of inputs, model structure, weighting, or interpretation; and
- Demonstrate in the CAVA how the engagement informed the analysis.¹⁴

The third criterion that Energy Division proposes for public interest is investment decision interpretability. Energy Division asserts that the outcome of adaptive capacity modeling should be interpretable in formats that can inform actual investment decisions within existing planning processes, such as the GRC. Energy Division recommends that the Commission require IOUs to:

- Document how adaptive capacity outputs are utilized within existing planning and investment processes, including RAMP, GRC, or other relevant decision frameworks;
- Distinguish between attribute metrics and performance metrics;
- Include at least one working example showing how adaptive capacity results would affect prioritization, screening, benefit/cost analysis, or vulnerability weighting in an actual decision context;
- Embed CAVA equity indicators into RAMP scoring;
- Coordinate similar RAMP ESJ adaptive capacity implementation related to consistent use for community adaptive capacity metrics;
- Demonstrate how adaptive capacity metrics inform priorities for climate adaptation investments in GRCs; and

¹⁴ *Id.* at 35.

- Demonstrate consultation with internal IOU planning, risk, and investment teams.¹⁵

4.2.2. Transparency Criteria

Energy Division proposes two criteria under transparency: auditability and transparency in data sources and methods, and reliability of data and methods.

Regarding auditability and transparency in data sources and methods, Energy Division asserts that by requiring robust and independent verification of community adaptive capacity determinations, utilities can engage in constructive conversation with community members about adaptive capacity to help build trust between stakeholders. To facilitate this, Energy Division recommends the Commission require IOUs to:

- Provide public documentation for external parties to understand, implement, and review the process by which the utilities determined community adaptive capacity scores;
- Provide model logic, variable definitions, transformations, weighting choices, assumptions, exclusions, and limitations of community adaptive capacity scores in a public online repository;
- If using non-public data in community adaptive capacity score development, document why public substitutes are insufficient and provide a public surrogate, synthetic dataset, or approximation method sufficient to enable independent review of community adaptive capacity scores; and
- Include a version history and change log for documentation across CAVA cycles.¹⁶

¹⁵ *Id.* at 34 – 37.

¹⁶ *Id.* at 37

The second criterion under transparency is reliability of data and methods. Energy Division asserts that for CAVAs to remain credible and actionable over multi-decadal planning horizons, data stability and reliability are key. Additionally, Energy Division asserts that reliable data is necessary to verify and confirm quantitative analyses and methodologies. To increase the reliability of data and methods related to community adaptive capacity metrics, Energy Division recommends that the Commission require IOUs to:

- Maintain a transparent versioned, publicly accessible inventory of all datasets and methods used in adaptive capacity modeling, including geographic coverage, refresh cadence, public/private status, and continuity risk for all data;
- By default, use public California data sources and state-supported base frameworks for continuity and justify the use of federal, proprietary, commercial, or bespoke sources if their use is necessary; and
- Justify their use of datasets or methods that are non-peer reviewed, established, or verified.¹⁷

4.2.3. Data Resolution Criteria

Energy Division proposes three criteria under data resolution: ability to compare adaptive capacity metrics across time; ability to compare community adaptive capacity metrics across geography; and sensitivity to pockets of vulnerability.

To foster accountability, learning, and demonstrate progress in serving vulnerable communities, the community adaptive capacity metrics should have the ability to compare adaptive capacity metrics outputs across time. To ensure

¹⁷ *Id.* at 37 – 39.

the ability to compare adaptive capacity metrics outputs across time , Energy

Division recommends the Commission require the IOUs to:

- Maintain a stable core metric architecture across CAVA cycles sufficient to support trend analysis and accountability;
- Publish a crosswalk that documents what changed, when methodology changes occur, explain why it changed, and how outputs under the new method relate to outputs under the prior method;
- Re-score a representative set of prior-cycle geographies using the new method, where feasible, or otherwise backcast results, to preserve interpretability over time; and
- Publicly publish versioned prior-cycle outputs.¹⁸

The second criterion under data resolution is the ability to compare community adaptive capacity metrics across geography. As noted by Energy Division, California's climate and demographic diversity makes geographic comparability both important and challenging. To ensure comparability across geography, Energy Division recommends that the Commission require the IOUs to:

- Include a core set of indicators, definitions, and methods that are applied uniformly across IOUs' service territories;
- Only use regional customization where it follows a pre-specified rule set tied to hazard profile, data availability, or service conditions, and where it does not undermine cross-geography comparability;
- Address missing or unevenly available data through explicit, documented handling rules, including use of proxies, imputations, exclusions, or confidence flags, as appropriate; and

¹⁸ *Id.* At 39.

- Explain how any local data enhancements affect comparability with areas lacking equivalent data.

The third criterion under data resolution proposed by Energy Division is sensitivity to pockets of vulnerability. As noted by Energy Division, DVCs often comprise significant portions of an IOUs service territory. This makes prioritization challenging because vulnerability can be masked by aggregation. As such, Energy Division argues that adaptive capacity metrics should be designed to detect pockets of severe need rather than only average conditions. To achieve this, Energy Division recommends the Commission require the IOUs to:

- Demonstrate that adaptive capacity metrics can identify small pockets of severe vulnerability that may be masked by aggregation;
- Use continuous or ordinal measures of relative vulnerability instead of binary classification;
- Use either finer-resolution analysis or a documented method designed to detect tail risk or within-area heterogeneity when using tract-level or other course inputs in adaptive capacity metrics;
- Report how rankings change when alternative aggregation methods are used; and
- Identify vulnerable communities at high risk as well as regions of low adaptive capacity.¹⁹

4.3. Party Comments and Discussion

4.3.1. Community Outreach and Linkage to Investment

In general, parties and commenters are supportive of the goals of the Staff Proposal. However, the parties raise several concerns with the specifics of the Staff Proposal.

¹⁹ *Id.* at 40 – 43.

SCE, while supportive of effective community outreach to facilitate community climate adaptation literacy, awareness, and transparency, argues that additional IOU community engagement efforts should be balanced against cost and demonstrated value.²⁰ SCE notes that the Staff Proposal significantly expands the scope, frequency, and administrative requirements of CAVA-related outreach. SCE argues that if the Commission adopts the community outreach requirements presented in the Staff Proposal, the Commission should allow the related incremental costs to be tracked in a memorandum account.²¹ Relatedly, PG&E is wary of providing incremental changes to the CAVA engagement process without first focusing on developing linkages between the CAVA and RAMPs and GRCs, allowing for a clear path from community engagement to utility investment.²² To support this, PG&E argues that the Commission should focus on quantifying community engagement input for ultimate use in the GRC and/or RAMP such as in the Risk-Based Decision-making Framework (RDF) proceeding.²³ The Sempra Companies caution against seeing the value of engagement solely through the lens of investment decision-making, noting that community engagement can help inform broader policy discussions or customer-facing programs.²⁴

²⁰ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 3 – 8.

²¹ *Id.* at 10 – 11.

²² PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 3.

²³ *Id.* at 3 – 4.

²⁴ Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 3.

Both SCE and SDG&E prefer flexibility in the implementation of the ideas presented in the Staff Proposal.²⁵ PG&E prefers specificity to flexibility for compliance, as flexibility makes it less likely that stakeholders will have the same expectations and understanding of what is required of the IOUs.²⁶

We take PG&E and SCE's comments regarding linkage of the CAVA to the RAMP and/or GRC proceedings under advisement. We recognize, as PG&E notes, that such linkage must be taken up in a more specific proceeding, such as the RDF proceeding or a GRC rulemaking to address the broader policy implications.. While we have previously encouraged discussion of the CAVA in GRCs, discussion has not clearly translated into action. In D.20-08-046 the Commission determined for CAVAs that "[t]he purpose of the Community Engagement Plan shall be to identify and prioritize utility climate adaptation investments in DVCs. However, there has not been a bridge to clearly guide the utilities in bringing those proposals to the Commission for consideration, whether as part of the RAMP framework or directly into GRCs.

Therefore, Energy Division staff may provide a report to the Commission to assess the challenges and opportunities for harmonizing proceeding linkages and recommend the appropriate venue(s) where the linkage may be considered. This approach would allow for a more wholistic assessment of the linkage challenge and would have the benefit of assessing the challenge outside of this proceeding so as to provide a more comprehensive view of the appropriate procedural vehicle to inform future Commission actions.

²⁵ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 2; Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 5.

²⁶ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 6 – 8.

4.3.2. Community Engagement Framework

4.3.2.1. Community Engagement Framework Implementation

PG&E requests clarification that the CEF Plan filing is intended to replace the current CEP filing, rather than be additive.²⁷

SCE expresses concern that that large groups of vulnerable community members appear reluctant to engage with them due to concerns about immigration enforcement, which could impede direct SCE interactions with the public as outlined in the Staff Proposal.²⁸

CforAT and SBUA both advocate for inclusion of additional entities in the community engagement process. CforAT requests explicit addition of communities with Access and Functional Needs as required communities for engagement.²⁹ CforAT also requests that IOUs be required to critically consider all various populations that warrant prioritization in engagement, including vulnerable populations not included in the definition of DVC. Similarly, SBUA requests the inclusion of small businesses, and community groups that may include small businesses in communities, such as religious groups, business associations, and local banks, in addition to local governments and licensing boards.³⁰

The Sempra Companies, PG&E, and CforAT all requested various detailed clarifications and refinements to the specific content and requirements of the community engagement process. CforAT requested that the CEF require

²⁷ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 7.

²⁸ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 7.

²⁹ CforAT Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 8-10.

³⁰ SBUA Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 5.

production of accessible materials and ensure accessible meetings, including multiple languages, written formats, transit-convenient and ADA-accessible venues for public meetings.³¹

CforAT requested changes to the process so that engagement would be subject to an open proceeding, to a Commission Resolution, or that another mechanism be developed so that CforAT, and presumably other stakeholders, could request intervenor compensation.³²

Per comments from PG&E, we clarify that the CEF Plan will replace the CEP filing requirement.

We agree with SCE's concern about participants being reluctant to participate, and as such clarify that it is the three Touch Points that are intended to be in public. The IOUs may contract out engagement to Community Benefit Organizations and advisory group partners, provided that the IOUs co-create engagement materials and provide engagement support.

We agree with CforAT's recommendation that IOUs should include additional vulnerable populations that warrant prioritization, such as communities with Access and Functional Needs, that are not captured in the DVC definition in engagement.

We do not fully agree with the comments from SBUA. In D.20-08-046, the Commission found that small businesses do not require special designation as DVCs, given DVCs are determined at the community level, not based on business type or economic sector.³³ The scope of this phase of the proceeding is

³¹ CforAT Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 7.

³² CforAT Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 4-5, 6, and 10-11.

³³ D.20-08-046, Finding of Fact 15, Conclusion of Law 19.

focused on making improvements to the engagement and consideration of prioritization solutions for vulnerable communities. To the extent that the IOUs find that small businesses that can be defined as members of DVCs that add to the diversity of feedback, the IOUs at their discretion may include relevant small businesses on their advisory committees.

We find that the majority of CforAT's requests are incorporated by existing ADA standards and the Commission's non-discrimination requirements for the IOUs, making further explicit requirements unnecessary. While the goal of transit-convenience for all meeting venues is admirable, we find that it may be impractical given the broad diversity of locations throughout the state that these meetings may be needed, and therefore decline to add this as an explicit requirement. We note that as proposed, the Touch Points must have a virtual component, as well as be recorded and publicly posted with a comment portal, promote expanded access for broad community participation.³⁴

We find CforAT's request to assure availability of intervenor compensation specifically throughout the community engagement process to not be reasonable, as it would require a continuously open proceeding or require significant staff resources to constantly process approvals via resolution.

4.3.2.2. Touch Points

SCE, in its reply asks that the Commission allow each IOU to determine the format for the public scoping engagement opportunity, such as permitting existing advisory group meetings, regional collaboratives, local government

³⁴ Staff Proposal at 13.

forums, Tribal forums, or other established venues to satisfy the public meeting requirements.³⁵

In its reply comments, SCE recommends that, for the Touch Point 1 meeting, the Commission replace strict regional meeting requirements with a standard seeking a reasonable geographic representation.³⁶ SCE also asks that the Commission allow IOUs to use written material, webinars, advisory group meetings, or existing stakeholder venues to fulfill the requirements of Touch Point 2 meetings.

SCE also recommends the Touch Point 2 meetings not require presentation of draft metrics or model outputs before the analysis is sufficiently complete and instead allow IOUs to discuss emerging themes, vulnerabilities, and preliminary priorities and the provide flexibility to determine the appropriate level of detail to be commensurate with the status of the analysis.

In response to comments from SCE requesting that each IOU be allowed to determine the format for the public scoping engagement opportunity, we clarify that existing stakeholder venues, such as those mentioned by SCE, are suitable for Touch Point 1 and Touch Point 2 meetings. As noted in the Staff Proposal, Touch Point 3 is already required to be a public workshop (i.e., the 90-day workshop) and Touch Point 1 replaces the Evaluation Meet and Confer to target increased community participation.³⁷ While pre-existing venues may be used, we caveat that IOUs will be required to conduct engagement efforts with DVCs in all regions of their service territory, which should be demonstrated in

³⁵ SCE Reply Comments on July 10, 2026 Assigned Commissioner's Ruling at 5.

³⁶ SCE Reply on July 10, 2026 Assigned Commissioner's Ruling at 5.

³⁷ D.24-08-005, Ordering Paragraph 10.

their CEF Plan. The IOUs should propose venues, formats, and targeted attendees in their CEF plans. The CEF Plans will be assessed for compliance in the IOUs' Tier 2 advice letters.

We find that regional public workshops are reasonable to fulfill the intent of Touch Point 2, however we will require IOUs to justify how those regional workshops represent a reasonable geographic distribution for the IOU's service territory. We appreciate SCE's comment on the timing of Touch Point 2 relative to the completion of a technical analysis, and find there is value to briefing communities on adaptive capacity options and prioritization of solutions. However, discussion on the CAVA final analysis should be previewed at Touch Point 3 and then the IOUs present outcomes and next steps at the next available public meeting after filing, Touch Point 1. Touch Point 2 is the opportunity to brief communities on CEF implementation and gather input for the next CAVA which is in alignment with the Community Adaptive Capacity criteria for the Public Interest area.

In D.20-08-046, the Commission found that "given the firsthand knowledge that some community members have of their *surrounding environment*, [DVCs] may be aware of *climate issues* IOUs fail to observe."³⁸ The knowledge of the surrounding environment by DVCs should be considered by the IOUs in the CAVA process, including during their technical assessment of climate vulnerability of their service territory, not after the fact. Thus, we clarify that the CEF cycle Touch Points are for the purpose of gathering community information, briefing on implementation of approved CAVAs, and building community capacity and education on technical information relevant to the

³⁸ D.20-08-046 at 29.

overlap of the milestones of the CEF and CAVA processes. Some activities in the CEF cycle overlap and are for the purpose of connecting outcomes from previous CAVA work; other activities are for planning for the next CAVA.

4.3.2.3. Advisory Groups

SCE, the Sempra Companies, and PG&E all express concerns about confidentiality of information shared during advisory group meetings, including personally identifiable information and confidential information shared by Native American Tribes.³⁹

The Sempra Companies request flexibility in the role of Advisory Group members in Touch Point meetings.⁴⁰

SBUA requests that small business interests be represented in advisory groups, either directly or through community organizations that may include small businesses.⁴¹

We agree with the concern of confidentiality that the IOUs raise. We therefore clarify that while the three public Touch Points with diverse community panels must be held in public, other Advisory Group meetings, including Tribal Advisory Group meetings, do not need to be held in public.

In response to Sempra, we clarify that Advisory Group members should act as lead panelists in Touch Point meetings and be involved in promoting the Touch Point meetings, even if Advisory Group members are not explicitly running the Touch Point meetings. As explained in Section 4.3.2.1, above, we do

³⁹ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 16; SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 9; Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 7-8.

⁴⁰ Sempra Companies Opening Comments on July 10, 2026 Assignment Commissioner's Ruling at 6.

⁴¹ SBUA Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 5.

not fully agree with SBUA. Small business interests are not DVCs in and of themselves. To the extent that the IOUs find that small businesses that can be defined as members of DVCs that add to the diversity of feedback, the IOUs at their discretion may include relevant small businesses in their Advisory Groups.

4.3.2.4. Tribal Engagement

SCE, the Sempra Companies, and PG&E each express concern with the requirements for engaging with Tribes. SCE implies that the Staff Proposal's Tribal engagement requirement is more frequent than the Tribes that SCE interacts with desire. SCE also notes that it has frequent collaboration with Tribes on other issues, which limit the availability of Tribes to participate in the proposed engagement requirements.⁴²

PG&E clarifies that its Tribal Engagement Advisory Group does not represent Tribal governments, as was described in the Staff Proposal. PG&E also requests that the level of discretion currently afforded should be continued, to allow PG&E to engage Tribes on an individual basis consistent with its past practices, as it foresees staffing shortfalls to support Tribal engagement at the volume the Staff Proposal recommends.⁴³

The Sempra Companies object to the requirement to establish a Tribal Advisory Group, arguing that the approach is contrary to focused and individualized tribal engagement practices.⁴⁴ The DACAG generally supports

⁴² SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 9.

⁴³ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 15-16.

⁴⁴ Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 8.

the Staff Proposal, noting that engagement should respect tribal sovereignty with expectations for government-to-government consultation.⁴⁵

We agree with the commenters that the diversity of Tribes in California requires a flexible approach, consistent with the wishes of each individual Tribe. As illustrated by the scenarios SCE, the Sempra Companies, PG&E, and the DACAG mention, IOUs should not presume what Tribes may be interested in and should submit a clear plan to the Commission to work with Tribes. How Tribes choose to engage with IOU offers will be left to each Tribe's discretion.

Therefore, we clarify from the Staff Proposal that Tribes are not required to form Tribal Advisory Groups, but Tribes should be provided with the option to join Climate Adaptation Advisory Groups, or form their own Tribal Climate Advisory Groups, or not participate in an advisory role, should they so choose. We find that offering these advisory group options to Tribes to be reasonable. Similarly, we find that having the Tribal Engagement Plan as a separate section in each IOU's CEF Plan, the whole of which is subject to submission to the Commission as a Tier 2 advice letter, to be reasonable. The Tribal Engagement Plan shall detail how the IOU plans the initial outreach to all Tribes in their service territory with outcomes of the Tribal coordination detailed in their individual CAVAs.

4.3.2.5. CEF Evaluation

PG&E, the Sempra Companies, and the DACAG comment letter each provide comments on the CEF Evaluation and CEF Evaluation Report. PG&E requests clarification on how to comply with the Staff Proposal's evaluation, such as confirming its understanding and preference that surveying public attendees

⁴⁵ DACAG Comment Letter attached to September 21, 2026 Assigned Commissioner's Ruling at 2.

at the three public Touch Point meetings would be sufficient.⁴⁶ The Sempra Companies support the Staff Proposal's changes to the CEF Evaluation criteria, but request the Commission ensure that the requirement for publication of raw data provide exemptions for withholding confidential and private personal information from publication.⁴⁷ In its comment letter, the DACAG requests that the Commission establish a standardized reporting structure.⁴⁸

We agree with PG&E's request for clarification, and clarify that while surveys are required at each Touch Point meeting, those are not the only mandated surveys, such as collecting feedback from advisory group members, participating CBOs, and participating local governments. For instance, not all impacted community members may be able to participate in the public Touch Points but their input on the community engagement process should have the potential to be captured through other survey means.

We agree with the Sempra Companies concern that confidential and private personal information should not be publicly disclosed with raw data as part of the published CEF Evaluation Report. However, we find it reasonable that unredacted raw data should be sent to the Commission's Energy Division staff as digital spreadsheet files (e.g., Microsoft Excel files).

We agree with the DACAG that a standardized reporting structure would be useful. We thus require the IOUs to propose a joint template for the CEF Evaluation Report that demonstrates the effectiveness and lessons learned of

⁴⁶ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 11.

⁴⁷ The Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 10.

⁴⁸ DACAG Comment Letter attached to September 21, 2026 Assigned Commissioner's Ruling at 5.

implementing the IOUs' CEF Plans. This report will be assessed by the Commission's Energy Division staff as part of its review of the CEF Plan when it is filed as a Tier 2 advice letter. The CEF Evaluation Reports must, at a minimum, include discussions of:

- The appropriateness and effectiveness of the engagement process planning and execution,
- The impacts on adaptation option identification and prioritization,
- Once formally adopted by the Commission, the three criteria listed under the Public Interest area for Community Adaptive Capacity,
- The changes to capacity for participation from DVCs, and
- Changes to the IOU's capacity to develop and execute other public engagement efforts in the future.

4.3.3. Community Adaptive Capacity

4.3.3.1. Lexicon

The Sempra Companies requests clarifications on the distinction between "risk" as used in the Staff Proposal and suggests the term "vulnerability" may be more appropriate.⁴⁹ The Sempra Companies also requests clarification if the terms "CAVA equity indicators" and "adaptive capacity outputs/results" are interchangeable as used in the Staff Proposal. PG&E urges consistency between the language used in Climate Lexicon Working Group Report and the Staff Proposal.⁵⁰

We clarify and replace the Staff Proposal's term "equity indicators" in the discussion of criterion 1C.d with "adaptive capacity outputs/results." Also, we

⁴⁹ Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 8.

⁵⁰ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 22.

clarify that adaptive capacity should be consistently framed as “community adaptive capacity” to prevent confusion with other types of adaptive capacity (such as utility). To ensure consistency, we have updated the Climate Lexicon (Appendix B) to clarify that “community adaptive capacity” is the same definition as “adaptive capacity of communities.” We have clarified in the use of the word risk, using various terms from the Climate Lexicon (Appendix B) to ensure consistency based upon the context of each usage, with “climate risk” being a common selection.

4.3.3.2. Criterion 1B: Ground-Truthing Through Community Engagement

PG&E, SCE, and the Sempra Companies note concerns about the mismatch between rigorous quantitative methods and community engagement. For example, PG&E interprets the intent of ground-truthing through community engagement in its comment as directing the engagement to ask communities whether a metric “feels right.”⁵¹

We disagree with PG&E’s characterization of ground truthing, as the intent is not asking communities whether a metric “feels right” but whether the community data feeding into a metric is complete. Therefore, we clarify the role of community feedback in the discussion of criterion 1B by adding:

“The role of community feedback is to solicit additional information in a documented pathway, the inclusion of which into the ultimate output would be left to the judgement of the IOU and subject to approval by Commission staff.”

⁵¹ PG&E Opening Comments on July 10, 2026, Assigned Commissioner’s Ruling at 23.

4.3.3.3. Criterion 1C: Investment Decision Interoperability

PG&E, SCE, and the Sempra Companies all argue that community adaptive capacity metrics do not lend themselves to immediate interoperability with investment decision-making, such as the analysis conducted in GRC or RAMP proceedings. As SCE notes, that community adaptive capacity metrics are useful as planning support tools and strictly within the context of climate adaptation, however they do not function as stand-alone investment selection criterion, risk-scoring factors, and therefore should not be used as mandatory planning inputs in unrelated Commission proceedings except within very narrow programs and contexts where it is directly relevant.⁵² The Sempra Companies do not explicitly oppose community engagement influencing investment decision making. However, they argue that the Commission should create additional alignment with the RAMP and GRC before the integration proposed would be practical. DACAG, while to some extent agreeing with the IOUs, advocates for establishing a strong linkage between CAVAs and investment selection, as is envisioned with Criterion 1C.⁵³

Here, we generally agree that additional work is warranted to consider linkages between the CAVA and investment decision making in the RAMP and/or GRC. In D.24-08-005, the Commission adopted both the terminology “Climate Investment Proposals” and a definition of them as part of new Guidelines: “CAVA Investment Proposals are defined as “a specific utility proposal to adopt utility infrastructure, operations or services to climate

⁵² SCE Opening Comments on July 10, 2026, Assigned Commissioner’s Ruling at 24.

⁵³ DACAG Comment Letter attached to September 21, 2026 Assigned Commissioner’s Ruling at 2 and 4.

vulnerabilities, drawing on an ‘adaptation option’ identified in the utility’s CAVA. May be proposed in a GRC or a stand-alone application.”⁵⁴ However, this proceeding is not the appropriate venue to align such linkage; rather, a proceeding supporting the investment decision making would be a more appropriate venue to explore the potential of requiring information generated in the CAVA into investment decision making.

Because we are unclear that community adaptive capacity metrics can be integrated into larger decision-making frameworks, we modify criterion 1C of the Staff Proposal. Specifically, instead of making interoperability a strict requirement, we reduce the requirements for this criterion by removing requirements a, d, and e, which strictly reference interoperability with the RAMP and/or the GRC. Additionally, revising requirement f will provide flexibility to IOUs while meeting the Commission’s desire that community adaptive metrics inform climate adaptation investments in GRCs. Despite the lack of clarity, our continued goal is that community adaptive capacity can be integrated into investment decision-making. As such, we revise requirement f to state:

“Demonstrate how community adaptive capacity metrics may inform priorities for climate adaptation investments in GRCs.”

4.3.3.4. Criterion 3C: Pockets of Vulnerability

PG&E, SCE, and the Sempra Companies object to the use of Community Adaptive Capacity metrics in other proceedings beyond the CAVA, such as in RAMP or GRC proceedings. SCE acknowledges that community adaptive capacity metrics may be appropriately used as part of prioritization of climate-

⁵⁴ D 24-08-005 Attachment A at 1.

driven investments within a CAVA investment program, but should not be used exclusively to drive decision-making.

We appreciate SCE's comment, and add clarity by modifying the text in Section 3 of the Staff Proposal to add:

"The purpose of the (community) adaptive capacity metric criteria is to provide an iterative pathway toward a rigorous, stakeholder informed, and transparent methodology that can more helpfully inform investment decisions."

4.3.3.5. Standard Community Adaptive Capacity Metric

SCE, the Sempra Companies, and PG&E all support development of uniform community adaptive capacity metrics. All three mention using tools such as the Governor's Office of Land Use and Climate Innovation's (LCI) Vulnerable Communities Platform (VCP) metric, with PG&E explicitly advocating for the VCP metric.⁵⁵ SCE voices concern that developing and collecting information for a vulnerability metric at a state level exceeds the reasonable scope of IOU responsibilities.⁵⁶ PG&E voices concern with some of the specific proposed criteria for the development of community adaptive capacity metrics, if the Commission does not opt for a previously developed metric, such as the VCP metric.⁵⁷ CforAT supports the criteria for establishing the community adaptive capacity metrics.⁵⁸

We agree with the commenters that consideration of a standardized platform as a baseline with utility enhancement, such as VCP and Cal-Climate

⁵⁵ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 20-22; SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 13-14.

⁵⁶ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 15.

⁵⁷ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 21-22.

⁵⁸ CforAT Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 10.

Risk and Adaptation Index (Cal-CRAI), may be useful for community adaptive capacity metric development. We agree that there is potential value in using pre-existing metrics, or at least customizing metrics based upon pre-existing metrics. To facilitate further investigation of the existing metrics and/or development of new metrics, it is reasonable for the Commission's Energy Division staff to convene a technical working group and/or hold a workshop to vet the pre-existing metrics. Following the workshop, it is reasonable for the Commission to approve the adoption of the appropriate basis for community adaptive capacity metrics through a staff resolution.

4.3.3.6. DVC Definition and "Hotspots"

SCE and the Sempra Companies express concern with implementing the proposed Hotspot Assessment. SCE expresses concern with the spatial granularity expected for the analysis and incompatibility of community adaptive capacity metrics and utility infrastructure impacts which may cross into multiple different communities.⁵⁹ SCE also expresses concern about the statistical incompatibility of the data underlying community adaptive capacity metrics and the detection of pockets of severe need, such as medical baseline customers.⁶⁰ The Sempra Companies request clarification on the expected scope and scale of the proposed assessments of communities.⁶¹

Here, we clarify that the Hotspot Assessment is a refinement of the Community Adaptive Capacity to assess details within DVCs, such as populations might not be easily identified through typical geographic

⁵⁹ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 18.

⁶⁰ SCE Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 16.

⁶¹ Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 10.

designations. We acknowledge the potential for data interoperability issues to arise throughout analysis when working with geographic population data and other community data sets, such as those involved with considering pockets of severe need. We therefore add the phrase “Wherever possible or otherwise explain why not” into the statement in criterion 3C [p. 42] to read:

“Wherever possible or otherwise explain why not, supplement where tract-level or similarly coarse inputs are used, with either finer-resolution analysis or a documented method (such as quantile-based methods) designed to detect tail risk or within-area heterogeneity.”

4.3.4. Reporting and Implementation

4.3.4.1. Cost Reporting

Both SCE and the Sempra Companies request that additional costs be tracked in a memorandum account until such time as additional costs can be programmed into their next GRC cycles.⁶² The Commission previously established the CAVA Memorandum Account to track reasonable incremental costs for the CAVA process.

We agree that if the associated budget and program costs for the CAVA process cannot be incorporated into the IOUs’ GRC applications, that costs should be tracked in the CAVA Memorandum Account (CAVAMA). These costs should be prudently incurred and will be subject to a reasonableness review by the Commission. As part of ongoing tracking, we find it reasonable to require the IOUs to each file an annual report on March 1 of each year for the previous calendar year, commencing on March 1, 2027. The IOUs shall file the annual report as a Tier 1 advice letter on the CAVA costs, including costs incurred for

⁶² SCE Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 10-11; Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 6.

engagement and the development of the CAVA itself. We further find it reasonable that the IOUs provide the annual reports shall work in consultation with Energy Division to develop a common template that includes:

- a. Total costs the IOU has allocated to its CAVAMA since the proceeding was established in 2018, including those related to both technical analysis and community engagement) including:
 - The current CAVAMA balance.
 - Delineated costs, presented in an overview table by year through current year.
 - Delineated budget of annual costs in a spreadsheet for each year for all cost categories of IOU spending to support and implement CAVA requirements.
 - Using the last full CAVA cycle as reference, the total costs the IOU expended to implement a full 4-year CAVA cycle.
- b. Additional costs expended to implement the Climate Adaptation proceeding and CAVAs that are not tracked in the CAVAMA (such as staffing) and provide an estimate of the percent of full time equivalent staff associated with this work.
- c. List amount of funding that has been approved by the Commission to-date for CAVAMA, or related, cost recovery, including:
 - The CPUC proceeding vehicle, proceeding number, and any date of approval by the Commission for cost recovery.
 - Explanations of any cost recovery has been previously denied for the CAVAMA.
 - Explanations of the process and cadence the utility uses for requesting CAVAMA cost recovery.
- d. Any pending and future CAVAMA cost recovery requests and processes.

We share the IOUs' concerns regarding additional costs, but also see value in the additional community engagement and refinements to the CAVA analysis. Therefore, after the completion of the first full CAVA cycle that incorporates the

process updates from this decision, with the assistance of the IOU, the Commission's Energy Division staff should prepare a report to evaluate the impact of the implementation of the updated CEF and CAVA processes and enumerate the implementation costs. Based upon the staff report, staff may prepare a resolution to further refine the CEF and updated CAVA analysis.

4.3.4.2. Implementation Schedule

Both the Sempra Companies and PG&E request clarified and modified schedules for implementation of the updated CEF to accommodate in-progress CAVA preparation processes.⁶³ PG&E requests that the new CEF requirements be deferred until its next CAVA cycle, scheduled to begin in 2028 and issue a completed CAVA in 2032. The Sempra Companies outline a specific partial implementation schedule to begin part way into its current cycle:

- Touch Point 1 meeting in or around March 2027,
- File their CEF Plans as a Tier 2 advice letter on May 15, 2027,
- Hold Touch Point 2 in or around September 2027,
- Hold Touch Point 3 on February 15, 2028,
- File their CAVAs as a Tier 2 advice letter on May 15, 2028,
- File their Evaluation Reports as a Tier 2 advice letter on February 15, 2029.

We find the request for clarification of the implementation schedule to be reasonable. We do not envision, nor expect, IOUs to restart engagement processes that are already underway, however we do expect that the refinements to the engagement process be implemented expediently for those parts not yet

⁶³ PG&E Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 17-18; Sempra Companies Opening Comments on July 10, 2026 Assigned Commissioner's Ruling at 5-6.

completed. We note that 2027, the proposed implementation date for the revised CEF would correspond to year 3 of PG&E's current CAVA development process. We do not expect PG&E to reinitiate its prior steps in the CAVA development process, however we do see value in incorporating new requirements prospectively where feasible. Based upon PG&E's comment, we understand that PG&E has yet to reach the Touch Point 2 or Touch Point 3 milestones, and find it should have sufficient time to plan some efforts to fulfill the intent of the two Touch Point meetings.

Therefore, PG&E must, within 60 days of the effective date of this decision, file a Tier 2 advice letter amending its CEP to integrate the forward-looking requirements, such as Touch Points 2 and 3, into its CEP to the extent feasible. Where PG&E believes a requirement cannot be feasibly complied with or should not be applicable, it should so explain in the advice letter. We grant PG&E exception from the requirement of the Community Adaptive Capacity metrics, since their development will not likely be finalized until far into PG&E's technical analysis phase of the CAVA cycle.

We also find the Sempra Companies' proposed alternative implementation schedule reasonable for SoCalGas and SDG&E, as it appears to honor the intent of the new requirements.

4.4. We Adopt Staff Proposal with Modifications

We adopt the Staff Proposal with a number of modifications, consistent with our discussion above.

5. Climate Lexicon Working Group Report

Generally, all commenting parties support adoption of the Lexicon, with only SBUA and CforAT requesting some revisions, discussed further below.

SBUA argues against adoption of the definition of “Resilient” in the Lexicon, instead propounding a definition identical to the definition in D.19-10-054, finding of fact 6 because it would be more broadly applicable to account for impacts beyond energy infrastructure.⁶⁴ CforAT also generally requests that definitions of “Climate Resilience” and “Resilience” include additional explanation in how those measures will be expressed.⁶⁵

We adopt the Lexicon with modifications, as discussed below.

We decline to adopt the definition of Climate Resilience from the Lexicon and instead retain the definition previously provided in D.19-10-054. We generally agree with the logic previously provided in our decision that “Resilience” and, in this context, “Climate Resilience” includes community resilience to handle the effects of climate change. We expect IOUs to be primarily concerned with the resilience of their own infrastructure and assets, however the underlying effort is to address impacts to the people of California that may be affected by impacts to IOU infrastructure and assets caused, in respect to the CAVA, by climate change. These impacts experienced by communities may inform the severity of the climate change impact to IOU infrastructure and assets.

Here, we decline to adopt the changes to the definitions of “Climate Resilience” and “Resilience” requested by CforAT, seeking to maintain consistency with our previously established definition. While we appreciate CforAT’s desire to have more explanation, we find that being highly specific of the measure of resilience at the large-scale planning level would not be conducive to planning for the multiple potential, as yet unknown, impacts. By

⁶⁴ SBUA Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 2-4.

⁶⁵ CforAT Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 16.

providing specific definitions of how to measure “Climate Resilience” we would be determining how “Climate Resilience” would ultimately be assessed in the CAVA in ways that may undermine the collaborative analysis process envisioned by the CAVA’s community engagement process.

CforAT also requests modification to the definition of Disadvantaged and Vulnerable Community (DVC) to include communities with access and functional needs, either through a footnote to the existing DVC definition or by adding a new term to address those communities.⁶⁶

Here we decline to adopt CforAT’s requested modification to the Disadvantaged and Vulnerable Community definition. We appreciate CforAT’s concern that some vulnerable communities, such as individuals with access and functional needs, may be excluded from consideration by this definition, however the Lexicon development is not the venue to explore the scope and applicability of the CAVA’s consideration nor to revisit a definition established by this Commission, both within this proceeding and within the Commission’s Environmental and Social Justice Action Plan. While we decline to change the DVC definition in the Lexicon, as discussed above, we modify the CEF requirements to require IOUs to critically consider all the various kinds of populations that warrant prioritization in engagement, including additional vulnerable populations not captured in DVC definition.

All of the commenters, except for SBUA, requested that a staff-initiated mechanism to revise an adopted Lexicon be created to allow revision when necessary or through a ruling or decision in this proceeding or a successor proceeding. CforAT specifically requests that the mechanism result in a

⁶⁶ CforAT Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 14-15.

Commission Resolution and include the ability for both IOUs and non-IOU stakeholders to request updates.⁶⁷ SBUA did not comment on a revision mechanism for the Lexicon. In addition to its general support, PG&E advocated specific conditions where revision would be appropriate:

“When the Commission adopts a new definition in R.18-04-019 or a related proceeding, (2) when authoritative technical sources such as IPCC or UNFCCC materials materially revise a relevant term, or (3) when implementation experience shows that a definition is creating confusion in CAVA filings or review.”⁶⁸

A ruling in a proceeding, presumably by either an Administrative Law Judge or the proceeding’s Assigned Commissioner, would be inappropriate to revise a document established by a decision voted upon by the Commission. Therefore, we decline to adopt a ruling as a mechanism. As suggested by commenters, a staff-initiated resolution, to be voted upon by the Commission, would be a reasonable vehicle. Similarly, a decision in an open proceeding would also be an appropriate vehicle to revise a document established by a Commission decision. Here, we find that both a staff-initiated resolution would be of substantial benefit, as it will allow the Commission’s staff to carefully weigh information gathered, feedback received, and lessons learned throughout the CAVA process to determine when revisions are appropriate. Staff may receive informal comments and requests for revisions from IOUs and non-IOU stakeholders alike and determine when revision is appropriate, providing a vehicle as requested by CforAT.

We appreciate PG&E’s comment outlining specific scenarios when revision to the lexicon may be appropriate, and in general, we agree that each of those

⁶⁷ CforAT Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 17.

⁶⁸ PG&E Opening Comments on July 10, 2026 Assigned Commissioner’s Ruling at 24.

situations may be an appropriate driver for revision of the Lexicon. We do not, however, believe that the list of situations provided by PG&E is exhaustive, and, therefore, decline to make those scenarios exclusive requirements for staff to initiate a revision to the Lexicon.

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(a) requires that all written public comment submitted prior to the submission of the proceeding are part of the administrative record of the proceeding. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

The Tribal Energy & Climate Collaborative, Blue Lake Rancheria, Eagle Rock Analytics, and Community Engagement Council submitted public comments on the Staff Proposal via the Docket Card. Commenters generally support adoption of the Staff Proposal. Each recommends various specific refinements with minimal overlap. The greatest point of overlap is the request for IOUs to clearly communicate the range of potential outcomes that may be included in the CAVA at the beginning of consultation and engagement with Tribes and communities. The Tribal Energy & Climate Collaborative and Blue Lake Rancheria both advocate for additional specific requirements and guidelines regarding Tribal Engagement. Eagle Rock Analytics argued for the use of open data methods and for the Commission to require several data transparency and verification measures as part of the CAVA’s analysis. The Community Engagement Council advocated for early engagement with community-based organizations.

7. Procedural Matters

This decision affirms all rulings made by the Administrative Law Judge and assigned Commissioner in this proceeding. All motions not ruled on are deemed denied.

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. Energy Division held several workshops on community engagement and equity from September 2024 through September 2025.

2. On August 7, 2025, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company jointly filed the Climate Lexicon Working Group Report, which recommended a Climate Lexicon for adoption.

3. The July 10, 2026, Assigned Commissioner's Ruling issued the Energy Division staff proposed Guidance on Community Engagement and Adaptive Capacity (Staff Proposal) and the Climate Lexicon Working Group Report for party comments.

4. The Staff Proposal proposed several refinements to the community engagement process for development of the CAVA including introducing three

Touch Point meetings aligned with CAVA development milestones to anchor engagement activities.

5. The Staff Proposal, with modifications described in this decision, yield the desired goal of encouraging effective engagement of Disadvantaged Communities, Tribes, and other vulnerable populations and assessing community adaptive capacity.

6. The Staff Proposal, with modifications described in this decision, will enable the Commission to monitor the continuing implementation of climate adaptation planning and determine when, or if, modifications to the planning process are necessary.

7. How community adaptive capacity metrics may be integrated into larger decision making frameworks remains unclear, and this proceeding is not the appropriate venue to achieve this goal.

8.

9. Requiring PG&E to only complete those components of the revised engagement process that corresponds to milestones it has yet to complete in its current, in-progress CAVA cycle, allows PG&E to efficiently incorporate the Commission's CAVA changes and avoid duplication of work and confusion.

10. PG&E is in the middle of its CAVA development and community engagement process, which is expected to be completed after the issuance of this decision.

11. The Sempra Companies recently began their CAVA development and community engagement processes.

12. The Commission previously established the CAVA Memorandum Account to record costs and consider the reasonableness of costs incurred.

13. The costs for implementation of the Staff Proposal, as modified, are not currently included in IOU GRCs.

14. Revisions to the Guidance on Community Engagement and Climate Adaptation (Appendix A) will likely be necessary in the future.

15. The Commission previously established a definition of resilience in this proceeding in D.19-10-054, finding of fact 6.

16. The Climate Lexicon will enable the Commission and stakeholders to communicate clearly with a set of common definitions to facilitate engagement.

17. Revisions to the Climate Lexicon (Appendix B) will likely be necessary in the future.

Conclusions of Law

1. The Staff Proposal for the Guidance on Community Engagement and Adaptive Capacity should be adopted, with specified modifications.

2. It is reasonable to require PG&E to only complete those components of the revised engagement process that corresponds to milestones it has yet to complete in its current, in-progress CAVA cycle.

3. It is reasonable for PG&E to propose and explain the precise components of the CEF that are and are not feasible to implement at this stage in its CAVA cycle through the filing of a Tier 2 advice letter within 60 days of the effective date of this decision.

4. It is reasonable to exempt PG&E from including the Community Adaptive Capacity metrics into its technical analysis for the current, in-progress CAVA cycle.

5. It is reasonable to grant the Sempra Companies a modified schedule to implement the CEF for their current, recently initiated, CAVA cycles.

6. It is reasonable for the Commission's Energy Division staff to recommend revisions to the Guidance on Community Engagement and Climate Adaptation (Appendix A), and for the Commission to approve those revisions through a staff-initiated resolution.

7. It is reasonable for the Commission to maintain its definition of resilience from D.19-10-054, Finding of Fact 6 rather than adopt the definition from the Climate Lexicon Working Group Report.

8. It is reasonable for the Commission to adopt the Climate Lexicon, as modified.

9. It is reasonable for the Commission's Energy Division staff to recommend revisions to the Climate Lexicon (Appendix B), and for the Commission to approve those revisions through a staff-initiated resolution.

10. It is reasonable to allow PG&E, SCE, SoCalGas, and SDG&E each to record incremental expenses resulting from implementing the Guidance on Community Engagement and Adaptive Capacity (Appendix A) and related orders in this decision that have not been already considered in their General Rate Case in the Climate Adaptation Vulnerability Assessment Memorandum Account, subject to a reasonableness review, until such time as each IOU can propose to incorporate costs in their General Rate Case.

11. Proceeding R.18-04-019 should be closed.

O R D E R

IT IS ORDERED that:

1. The Guidance on Community Engagement and Adaptive Capacity, as modified and set forth in Appendix A is adopted.

2. Each Investor-Owned Utility that is required to file a Climate Adaptation Vulnerability Assessment shall file its Community Engagement Framework Plan

as a Tier 2 advice letter, consistent with the timing described in the Guidance on Community Engagement and Adaptive Capacity (Appendix A). This filing supersedes the previous requirement to file a Community Engagement Plan pursuant to Decision (D.)20-08-046, Ordering Paragraph (OP) 5 and D.20-08-046, OP 7, and modifies the requirements of D.20-08-046, OP 6; D.20-08-046, OP 1; 20-08-046, OP 5; D.20-08-046, OP 12 and D.24-08-005, OP 13 as described in Appendix A.

3. The Investor-Owned Utilities (IOUs) required to file a Climate Adaptation and Vulnerability Assessment (CAVA) shall work in consultation with Energy Division to develop a common annual report template that includes:

- (a) Total costs the IOU has allocated to its Climate Adaptation Vulnerability Assessment Memorandum Account (CAVAMA) since the proceeding was established in 2018, including those related to both technical analysis and community engagement) including:
 - The current CAVAMA balance.
 - Delineated costs, presented in an overview table by year through current year.
 - Delineated budget of annual costs in a spreadsheet for each year for all cost categories of IOU spending to support and implement CAVA requirements.
 - Using the last full CAVA cycle as reference, the total costs the IOU expended to implement a full 4-year CAVA cycle.
- (b) Additional costs expended to implement the Climate Adaptation proceeding and CAVAs that are not tracked in the CAVAMA (such as staffing) and provide an estimate of the percent of full time equivalent staff associated with this work.

(c) List amount of funding that has been approved by the Commission to-date for CAVAMA, or related, cost recovery, including:

- The CPUC proceeding vehicle, proceeding number, and any date of approval by the Commission for cost recovery.
- Explanations of any cost recovery has been previously denied for the CAVAMA.
- Explanations of the process and cadence the utility uses for requesting CAVAMA cost recovery.

(d) Any pending and future CAVAMA cost recovery requests and processes.

4. Each Investor-Owned Utility (IOU) that is required to file a Climate Adaptation Vulnerability Assessment (CAVA) shall file an annual report of its costs for engagement and development of the CAVA and costs recorded to the Climate Adaptation Vulnerability Assessment Memorandum Account using the approved template, developed in Ordering Paragraph 3 of this decision, as a Tier 1 advice letter. The IOUs shall file their individual annual reports on March 1 of each year for the previous calendar year, commencing on March 1, 2027.

5. Southern California Edison Company shall implement the provisions of the Guidance on Community Engagement and Adaptive Capacity (Appendix A) beginning in 2027 with the beginning of its next Climate Adaptation Vulnerability Assessment cycle.

6. Pacific Gas and Electric Company shall implement the provisions of Appendix A, the Guidance on Community Engagement and Adaptive Capacity, beginning in 2027. Pacific Gas and Electric Company shall, within 60 days of the effective date of this decision, file a Tier 2 advice letter amending its Community Engagement Plan to integrate forward-looking requirements such as Touch Points 2 and 3 into its Community Engagement Plan, to the extent feasible.

Where Pacific Gas and Electric Company believes a requirement cannot be feasibly complied with or should not be applicable, it should provide an explanation in the advice letter. Pacific Gas and Electric Company is exempt from the use of Community Adaptive Capacity metrics in its analysis during its current, in-progress Climate Adaptation Vulnerability Assessment cycle. Pacific Gas and Electric Company shall follow the standard Community Engagement Framework process in its next full Climate Adaptation Vulnerability Assessment cycle.

7. Southern California Gas Company and San Diego Gas & Electric Company shall implement the provisions of Appendix A, the Guidance on Community Engagement and Adaptive Capacity, beginning in 2027, with the following modified implementation schedule for the current Climate Adaptation Vulnerability Assessment cycle:

- Touch Point 1 meeting in or around March of 2027,
- File their Community Engagement Frameworks as a Tier 2 advice letter on May 15, 2027,
- Hold Touch Point 2 in or around September 2027,
- Hold Touch Point 3 on February 15, 2028,
- File their Climate Adaptation Vulnerability Assessments as a Tier 2 advice letter on May 15, 2028,
- File their Evaluation Reports as a Tier 2 advice letter on February 15, 2029.

8. Southern California Gas Company and San Diego Gas & Electric Company shall each follow the standard Community Engagement Framework process in their next full Climate Adaptation Vulnerability Assessment cycle.

9. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company are

authorized to record incremental expenses resulting from implementing Appendix A, the Guidance on Community Engagement and Adaptive Capacity, and related orders in this decision that have not been already considered in their General Rate Case in the Climate Adaptation Vulnerability Assessment Memorandum Account, subject to a reasonableness review, until such time as each investor-owned utility can propose to incorporate costs in their General Rate Case.

10. The Guidance on Community Engagement and Adaptive Capacity (Appendix A) may be revised via staff-initiated resolution.

11. The Climate Adaptation Vulnerability Assessment and related communications shall use the definitions in the adopted Climate Lexicon, as modified by this decision, provided in Appendix B.

12. The Climate Lexicon may be revised via a staff-initiated resolution.

13. Rulemaking 18-04-019 is closed.

This order is effective today.

Dated _____, at Sacramento, California.

Appendix A

(Guidance on Community Engagement and Adaptive Capacity)

(END OF APPENDIX A)

Appendix B

(Climate Lexicon)

Climate Lexicon

CAVA Framework

- (Climate) Exposure: In the CAVA, nature of chronic or acute climate hazards and degree to which a location is subject to those climate hazards. Distinct from the Risk-Based Decision-Making Framework (RDF) definition of exposure in that it applies specifically to climate-driven hazards.
- Chronic: Persistent shifts in climate patterns (e.g., sustained higher temperatures, sea level rise, changing precipitation patterns) that may lead to changes in the frequency, magnitude, and duration of weather conditions.
- Acute: Impacts that are event-driven, including extreme weather events, such as cyclones, hurricanes, heat or cold waves, or floods.
- Sensitivity: In the CAVA, the degree to which infrastructure, operations, or services is susceptible to being adversely affected by climate hazards.
- Vulnerability: In CAVA, the degree to which infrastructure, operations, or services may be adversely impacted by a climate hazard as a function of hazard exposure and sensitivity to that hazard.
- Adaptive Capacity: The ability of systems, institutions, humans, and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences. In the CAVA, adaptive capacity is considered in the context of community (Community Adaptive Capacity) and the energy system (Infrastructure Adaptive Capacity).
- Adaptive Capacity of Communities or Community Adaptive Capacity: The broad range of responses and adjustments to chronic and acute climate change-related events available to communities. This includes the ability and resources communities have to moderate potential damages, take advantage of opportunities, and cope with consequences.
- Adaptation Option: A strategy or measure that is available and appropriate for adapting vulnerable infrastructure, operations, or services to climate hazards that is included in a utility's CAVA, as

ordered in CPUC D.20-08-046. For example, elevating substation infrastructure that is vulnerable to flood inundation.

Equity

- Disadvantaged Vulnerable Communities (DVCs): Communities in the 25 percent highest scoring census tracts according to the most recent version of the California Communities Environmental Health Screening Tool (CalEnviroScreen), as well as all California tribal lands, census tracts with median household incomes less than 60 percent of state median income, and census tracts that score in the highest 5 percent of Pollution Burden within CalEnviroScreen, but do not receive an overall CalEnviroScreen score due to unreliable public health and socioeconomic data.
- CAVA Community Engagement Prioritization: "Prioritization" within the context of DVCs means that a community that is a DVC may require extra resources and access to the resources, and more engagement and attention, because it is less able to fund or organize adaptation efforts on its own.
- Climate Readiness: The extent to which local and tribal governments and/or other organizations, have developed climate resilience plans for their communities, and have the resources and capacity to act upon such a plan.
- Equity-driven Prioritization: The extent to which IOUs include socioeconomic and environmental considerations of the communities they serve as a component of investment decision-making.

General CPUC Terms

- Climate Change Adaptation: Adjustment of natural and human systems to a new or changing environment using strategic and data-driven consideration of actual or expected climate impacts. For energy utilities, specific actions taken in the face of climate change with the goal of maintaining safe, reliable, affordable, and resilient operations.
- Climate Change Mitigation: A human intervention (technology or practice) to reduce greenhouse gas (GHG) emissions or enhance GHG sinks.

- Resilience/Resilient: The ability to withstand extreme and incremental events and the ability of utility systems to recover when a disruption occurs.
- Climate Resilience/Resilient: The ability to absorb, withstand, adapt to, and recover from chronic and acute climate hazards.
- Risk: The potential for the occurrence of an event that would be desirable to avoid, often expressed in terms of a combination of various outcomes of an adverse event and their associated probabilities.
- Risk Mitigation: A measure or activity proposed or in process designed to reduce the impact/consequences and/or likelihood/probability of a risk event.

Implementation

- Investment Prioritization: The process by which IOUs decide what energy system investments to make, and in what order, based on risk assessment, regulatory requirements, asset conditions, customer needs and other relevant considerations (including, for example, load growth and climate risk) and in so doing support the safety, reliability, resiliency, and affordability of energy service.
- Climate Risk: The range of potential impacts and consequences that the energy system and its users may face from climate hazards, including extreme events as well as the changing frequency, magnitude, and duration of weather conditions. May be expressed in terms of various potential adverse outcomes and their likelihoods.
- Adaptation-Related Investment: Any investment that does not come from a CAVA Investment Proposal but that will help strengthen or adapt vulnerable infrastructure, operations, or services to climate hazards. For example, vegetation management around electric equipment may be targeted to reduce the risk of wildfire ignition, but it can also support climate adaptation by reducing the likelihood of equipment damage in a wildfire or heavy storm.
- CAVA Investment Proposal: A specific utility proposal to adapt utility infrastructure, operations, or services to climate vulnerabilities, drawing on an 'adaptation option' identified in the utility's CAVA. May be proposed in the CAVA-dedicated chapter of a GRC application or in a free-standing application as authorized in CPUC D.20-08-046.

- **Climate Informed:** A process or decision is ‘climate-informed’ when climate change considerations (i.e., information about changing conditions and their implications for electric infrastructure, operations, and services) are appropriately incorporated by applying a range of forward-looking climate projections and outcomes, either in place of or in combination with historical weather data.
- **Green and Sustainable Alternatives:** Alternatives to traditionally-engineered utility infrastructure investments that utilize and prioritize natural features or systems to achieve infrastructure goals, and may have other co-benefits. For example, green alternatives might include utilizing sustainable rights-of-way with native low-lying vegetation in place of conventional vegetation management strategies, the preservation or addition of green space for cooling benefits, and natural erosion and flood management practices including bioswales.
- **[Climate] Hazard:** The potential occurrence of a natural or human-induced physical event or trend that may cause loss of life, injury, or other health impacts, as well as damage and loss to property, infrastructure, livelihoods, service provision, ecosystems and environmental resources

Climate Terminology for Reference

- **[Climate] Adaptation Assessment:** The practice of identifying options to adapt to climate change and evaluating them in terms of criteria such as availability, benefits, costs, effectiveness, efficiency, and feasibility.
- **[Climate] Adaptation Benefits:** The avoided damage costs or the accrued benefits following the adoption and implementation of adaptation measures.
- **[Climate] Adaptation Costs:** Costs of planning, preparing for, facilitating, and implementing adaptation measures, including transition costs.
- **Baseline/Reference:** The baseline (or reference) is the state against which change is measured. A baseline period is the period relative to which anomalies are computed.
- **Climate:** In a narrow sense, climate is usually defined as the average weather, or more rigorously as the statistical description in terms of the mean and variability of relevant quantities over a period of time

ranging from months to thousands or millions of years. The classical period for averaging these variables is 30 years, as defined by the World Meteorological Organization (WMO). The relevant quantities are most often surface variables such as temperature, precipitation and wind. Climate in a wider sense is the state, including a statistical description, of the climate system.

- **Climate Model:** A qualitative or quantitative representation of the climate system based on the physical, chemical and biological properties of its components, their interactions and feedback processes and accounting for some of its known properties. The climate system can be represented by models of varying complexity; that is, for any one component or combination of components a spectrum or hierarchy of models can be identified, differing in such aspects as the number of spatial dimensions, the extent to which physical, chemical or biological processes are explicitly represented, or the level at which empirical parametrization are involved. There is an evolution towards more complex models with interactive chemistry and biology. Climate models are applied as a research tool to study and simulate the climate and for operational purposes, including monthly, seasonal and interannual climate predictions.
- **Climate Prediction:** A climate prediction or climate forecast is the result of an attempt to produce (starting from a particular state of the climate system) an estimate of the actual evolution of the climate in the future, for example, at seasonal, interannual or decadal time scales. Because the future evolution of the climate system may be highly sensitive to initial conditions, has chaotic elements and is subject to natural variability, such predictions are usually probabilistic in nature.
- **Climate Projection:** Simulated response of the climate system to a scenario of future emissions or concentrations of greenhouse gases (GHGs) and aerosols and changes in land use, generally derived using climate models. Climate projections are distinguished from climate predictions by their dependence on the emission/concentration/radiative forcing scenario used, which is in turn based on assumptions concerning, for example, future socio-economic and technological developments that may or may not be realized.

- **Climate Scenario:** A plausible and often simplified representation of the future climate, based on an internally consistent set of climatological relationships that has been constructed for explicit use in investigating the potential consequences of anthropogenic climate change, often serving as input to impact models. Climate projections often serve as the raw material for constructing climate scenarios, but climate scenarios usually require additional information such as the observed current climate.
- **Climate Variability:** Deviations of climate variables from a given mean state (including the occurrence of extremes, etc.) at all spatial and temporal scales beyond that of individual weather events. Variability may be intrinsic, due to fluctuations of processes internal to the climate system (internal variability), or extrinsic, due to variations in natural or anthropogenic external forcing (forced variability).
- **Downscaling:** A method that derives local-to regional-scale information from larger-scale models or data analyses. Two main methods exist: dynamical downscaling and empirical/statistical downscaling. The dynamical method uses the output of regional climate models, global models with variable spatial resolution, or high-resolution global models. The empirical/statistical methods are based on observations and develop statistical relationships that link the large-scale atmospheric variables with local/regional climate variables. In all cases, the quality of the driving model remains an important limitation on the quality of the downscaled information. The two methods can be combined, for example, applying empirical/statistical downscaling to the output of a regional climate model, consisting of a dynamical downscaling of a global climate model.
- **Ecosystem:** Any natural unit or entity including living and non-living parts that interact to produce a stable system through cyclic exchange of materials.
- **Emissions Scenario:** A plausible representation of the future development of emissions of substances that are radiatively active (e.g., greenhouse gases (GHGs) or aerosols), plus human-induced land-cover changes that can be radiatively active via albedo changes, based on a coherent and internally consistent set of assumptions about driving forces (such as demographic and socio-economic development, technological change, energy and land use) and their key relationships.

Concentration scenarios, derived from emission scenarios, are often used as input to a climate model to compute climate projections.

- **Extreme Climate Event:** The occurrence of a value of a weather or climate variable above (or below) a threshold value near the upper (or lower) ends of the range of observed values of the variable. By definition, the characteristics of what is called extreme weather may vary from place to place in an absolute sense. When a pattern of extreme weather persists for some time, such as a season, it may be classified as an extreme climate event, especially if it yields an average or total that is itself extreme (e.g., high temperature, drought or heavy rainfall over a season). For simplicity, both extreme weather events and extreme climate events are referred to collectively as climate extremes.
- **Extreme Weather Event:** An event that is rare at a particular place and time of year. Definitions of 'rare' vary, but an extreme weather event would normally be as rare as, or rarer than, the 10th or 90th percentile of a probability density function estimated from observations. By definition, the characteristics of what is called extreme weather may vary from place to place in an absolute sense.
- **GHG Sink:** Any process, activity or mechanism which removes a greenhouse gas, an aerosol or a precursor of a greenhouse gas from the atmosphere.
- **Heat Island:** The relative warmth of a city compared with surrounding rural areas, associated with changes in runoff, effects on heat retention, and changes in surface albedo.
- **[Climate] Impact Assessment:** The practice of identifying and evaluating, in monetary and/or non-monetary terms, the effects of climate change on natural and human systems.
- **[Climate] Impacts:** Consequences of climate change on natural and human systems. Depending on the consideration of adaptation, one can distinguish between potential impacts and residual impacts. Potential Impacts are all impacts that may occur given a projected change in climate, without considering adaptation. Residual impacts are the impacts of climate change that would occur after adaptation.
- **Multivariate Event:** A multivariate event refers to the joint occurrence of two or more climate drivers or hazards in the same spatial location. The timing of each driver or hazard (either simultaneous or lagged) can

change the impact of the multivariate event. These events can result from the interaction of multiple drivers that can cause one or more hazards, or a single driver that can cause multiple correlated hazards. Multivariate events can also occur due to the intersection of multiple climate stressors, or the intersection of climate and non-climate stressors. Individual stressors may not be extreme on their own but may combine to cause significant impacts. Multivariate analysis often requires joint probability approaches (e.g., likelihood multiplication factors, joint return periods or bivariate probabilities) to capture the interaction between variables.

- **Preconditioned Event:** A preconditioned event occurs when antecedent or pre-existing weather or climate condition combines with one or more climate hazards to create a compound hazard. For example, saturated soils (precondition) combining with precipitation (climate hazard) could result in extreme flooding; a severe drought (precondition) combining with high winds (climate hazard) and high heat (climate hazard) could increase the likelihood of wildfires.
- **Radiative Forcing:** The change in the net, downward minus upward, radiative flux (expressed in W m^{-2}) due to a change in an external driver of climate change, such as a change in the concentration of carbon dioxide (CO_2), the concentration of volcanic aerosols or in the output of the Sun. The stratospherically adjusted radiative forcing is computed with all tropospheric properties held fixed at their unperturbed values, and after allowing for stratospheric temperatures, if perturbed, to readjust to radiative-dynamical equilibrium. Radiative forcing is called instantaneous if no change in stratospheric temperature is accounted for. The radiative forcing once both stratospheric and tropospheric adjustments are accounted for is termed the “effective radiative forcing.”
- **Scenario (Generic):** A plausible description of how the future may develop based on a coherent and internally consistent set of assumptions about key driving forces (e.g., rate of technological change, prices) and relationships. Note that scenarios are neither predictions nor forecasts, but are used to provide a view of the implications of developments and actions.
- **Spatially Compounding:** The spatial component of compounding events occurs when a location experiences multiple climate drivers or

hazards that overlap within a given time frame. For example, an ongoing hydrological drought (reduced water availability) combined with a flash drought (rapid onset of low precipitation and high temperatures) within a given geographical region can lead to compounding impacts.

- Stochastic Events: Events involving a random variable, chance, or probability.
- Temporally Compounding: The temporal component of compounding events focuses on the timing of event occurrence, which may be in close succession or occur after a lag period. The threshold for the time between events is flexible and is dependent on whether the succession of events is close enough to create a more severe impact.
- Uncertainty: A state of incomplete knowledge that can result from a lack of information or from disagreement about what is known or even knowable. It may have many types of sources, from imprecision in the data to ambiguously defined concepts or terminology, incomplete understanding of critical processes or uncertain projections of human behavior. Uncertainty can therefore be represented by quantitative measures (e.g., a probability density function) or by qualitative statements (e.g., reflecting the judgement of a team of experts) (Moss and Schneider, 2000; IPCC, 2004; Mastrandrea et al., 2010).

(END OF APPENDIX B)