PG&E AL 3278-G/4006-E/je5

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

Item #2 (Rev. 1) I.D. #11530 RESOLUTION E-4533 November 8, 2012

RESOLUTION

Resolution E-4533. Mr. Edward Hasbrouck's Request for Commission Review of Energy Division's disposition approving Pacific Gas and Electric Company (PG&E) Advice Letter 3278-G/4006-E (Electric Rate Schedule E-SOP for Residential Electric SmartMeter Opt-Out Program, and Gas Rate Schedule G-SOP for Residential Gas SmartMeter Opt-Out Program).

<u>PROPOSED OUTCOME</u>: This Resolution affirms Energy Division's disposition of PG&E's Advice Letter 3278-G/4006-E, which approved the Advice Letter as filed, with an effective date of February 16, 2012.

ESTIMATED COST: None.

By Mr. Edward Hasbrouck Request for Review filed May 26, 2012, PG&E Advice Letter 3278-G/4006-E, filed February 16, 2012.

SUMMARY

In response to Mr. Edward Hasbrouck's Request for the CPUC Review of the Energy Division's May 15, 2012, this Resolution affirms the May 15 disposition letter. The May 15 disposition letter rejected Mr. Hasbrouck's original March 7, 2012, protest and approved PG&E's Advice Letter pertaining to the SmartMeter Opt-Out Program. This Resolution also denies Mr. Hasbrouck's Motion to Strike and makes no material changes to the Draft Resolution pursuant to Mr. Hasbrouck's "Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533[.]" Mr. Hasbrouck's Draft Resolution, submitted on September 5, 2012, was treated as Comments.

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BACKGROUND

In D.12-02-014 (Decision) issued February 1, 2012, the California Public Utilities Commission (CPUC or Commission) directed PG&E to file a Tier 1 Advice Letter to establish procedures to implement a smart meter opt-out option for customers who do not wish to have a wireless smart meter, and to establish a SmartMeter Opt-Out Tariff with the CPUC specified opt-out fees. Specifically, in addition to the opt-out tariff, Ordering Paragraph 2 of the Decision ordered PG&E to meet in its Advice Letter the following requirements:

"a. Establish procedures for residential customers to select the option to have an analog meter if they do not wish to have a wireless SmartMeter.

b. Establish procedures to inform customers that a SmartMeter opt-out option is available. A customer currently on the delay list shall be informed that the customer will be scheduled to receive a wireless SmartMeter unless the customer elects to exercise the opt-out option."

On February 16, 2012, in response to the CPUC directive, PG&E filed a Tier 1 Advice Letter 3278-G/4006-E (Advice Letter), which requested the same effective date, seeking approval of its proposed procedures and two new rate schedules that allow residential electric and gas smart meter opt-out service.

The Advice Letter included an attachment that described the procedures by which, (a) PG&E will inform customers, including those on the delay list, that the opt-out option is available, (b) customers can inform PG&E of their choice to opt-out of smart meter use, and (c) PG&E will deem a customer to have elected service under the SmartMeter Opt-Out Program where the customer has not responded to PG&E's notices and outreach *and* has not provided reasonable access to the customer's premises to allow PG&E installers to install the smart meter.¹

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¹From PG&E AL 3278-G/4006-E, Attachment 2 at p. 3: "Pursuant to Decision 12-02-014, a customer must affirmatively elect to opt-out of the SmartMeter™ Program, and shall default to SmartMeter™-based utility service absent such an election. If PG&E makes a field visit to a customer's residence for purposes of installing a SmartMeter™ and the customer does not provide reasonable access to PG&E to install a

On March 7, 2012, Mr. Hasbrouck filed a protest to the Advice Letter disputing certain language in the SmartMeter Opt-Out Program Tariff proposed by PG&E, as well as raising other issues relating to PG&E's authority regarding smart meter installations. The principal dispute with the Advice Letter was whether PG&E had the authority to establish SmartMeter Opt-Out program procedures that deem a customer to have opted-out in the scenario where the customer is unresponsive after being informed of the availability of the opt-out option, even after the multiple attempts described by PG&E to obtain an affirmative opt-out decision by the customer.

On March 14, 2012, PG&E submitted to the CPUC a reply to the protest, arguing that Energy Division reject the protest because the Advice Letter is directly compliant with the CPUC orders in D.12-02-014, and the protest relating to its meter installation authority is outside the scope of the Advice Letter filing.

Energy Division reviewed the record on the matter and on March 19, 2012, issued a disposition letter (Initial Disposition) rejecting the protest and approving PG&E's Advice Letter. On March 28, 2012, Mr. Hasbrouck sent a Request for the CPUC Review of Energy Division's March 19 disposition (First Request for Review).

On March 29, 2012, Energy Division withdrew without prejudice the March 19 disposition letter upon learning of procedural errors associated with service of the disposition. Specifically, both the March 14 PG&E reply to the protest and the March 19 Energy Division's disposition letter were not properly served to Mr. Hasbrouck on a timely basis.

On April 5, 2012, the CPUC Legal Division served a copy of the March 14 PG&E reply to the protest via a certified letter to Mr. Hasbrouck's mailing address. In the included cover letter, the CPUC explained the procedural errors and provided a 10-day period to Mr. Hasbrouck to review the materials that were not previously served. The cover letter from the CPUC explained that this review

SmartMeter™ after being provided notice of eligibility for service under this Opt-Out Program and not electing to opt-out, the customer shall be deemed to have elected service under this Opt-Out Program."

period cured the procedural errors, and explained that Mr. Hasbrouck's Request for Review of Energy Division's disposition would be held in abeyance until a final disposition was issued.

On May 15, 2012, the Energy Division issued a disposition letter (Second Disposition) that rejected Mr. Hasbrouck's March 7 protest on the basis that it was not based on proper grounds allowed by General Order (GO) 96-B² for protest of an Advice Letter.³ Specifically, the Energy Division determined that the March 7 protest did not demonstrate that the Advice Letter "is not authorized by [the] CPUC order on which the utility relies."⁴ Further, the protest did not meet any of the other grounds allowed for protest.⁵ The May 15 disposition letter approved the Advice Letter as filed, effective on February 16, 2012.

On May 26, 2012, Mr. Hasbrouck filed a Request for Review of the Energy Division's May 15 disposition letter (Second Request for Review), referencing his arguments in the March 7 protest and the first Request for Review in its entirety.

The Energy Division has prepared this Resolution in response to Mr. Hasbrouck's May 26, 2012, Request for CPUC Review of Energy Division's disposition of PG&E AL 3278-G/4006-E, as provided by GO 96-B.

(2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;

General Rule 7.4.2 further explains: "As illustrated in the following examples, a protest may not rely on policy objections to an advice letter where the relief requested in the advice letter follows rules or directions established by statute or Commission order applicable to the utility."

² GO 96-B General Rule 7.4.2 reads in part:

[&]quot;An advice letter may be protested on one or more of the following grounds:

 $^{[\}ldots]$

³ General Order 96-B is available in Microsoft Word and PDF formats at http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/164747.htm.

⁴ General Order 96-B, General Rule 7.4.2 subd. (2).

⁵ General Order 96-B, General Rule 7.4.2, subds. 3, 5, and 6.

NOTICE

The Energy Division prepared this Resolution in response to Mr. Hasbrouck's May 26, 2012, Request for CPUC Review of Energy Division's disposition of PG&E AL 3278-G/4006-E, as provided by GO 96-B. The Draft Resolution was repeatedly served on Mr. Hasbrouck as detailed below.

Notice of AL 3278-G/4006-E was made by publication in the Commission's Daily Calendar on February 16, 2012. PG&E states that a copy of the Advice Letter was mailed and distributed in accordance with Section IV of General Order 96-B.

PROTESTS

Advice Letter AL 3278-G/4006-E was protested on March 7, 2012, by Mr. Edward Hasbrouck.

PG&E responded to the protests of Mr. Edward Hasbrouck on March 14, 2012, but Mr. Hasbrouck did not receive the response until April 5, 2012, due to a service error discussed in the Background Section above.

COMMENTS/MOTION

Public Utilities Code section 311, subdivision (g)(1) provides that a Resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the CPUC. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding. The 30-day comment period for the draft of this Resolution was neither waived nor reduced. Accordingly, this Draft Resolution was mailed to parties for comments on August 13, 2012, and placed on the CPUC agenda no earlier than 30 days from the date mailed for comment.⁶

One party, Mr. Edward Hasbrouck, responded to the electronic service of the Draft Resolution on August 13, 2012. Mr. Hasbrouck stated in his August 15, 2012, e-mail reply that he had difficulty with reading the attachments provided

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⁶ Attachment A: Original Service of the Draft Resolution

via e-mail service in the Microsoft Word format.⁷ On the same day, the CPUC Staff re-served Mr. Hasbrouck with the Draft Resolution documents in an alternative format, Adobe Acrobat PDF format.⁸ In addition, CPUC Staff sent the documents to Mr. Hasbrouck via courier on August 15, 2012.⁹ The CPUC received a confirmation that delivery was successfully made to Mr. Hasbrouck on August 17, 2012, including what appears to be the signature of Mr. Hasbrouck.¹⁰

On September 5, 2012, Mr. Hasbrouck filed four documents, none of which were labeled Comments:

- (1) Motion to Strike Certificate of Service and Draft Resolution E-4533; Commission review of Energy Division action on PG&E Advice Letter 3278-G/4006-E [Motion]
- (2) Declaration of Edward Hasbrouck in Support of Motion to Strike Certificate of Service and Draft Resolution E-4533 [Declaration]
- (3) Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533 [Draft Resolution]
- (4) Certificate of Service

The Motion requests that the Energy Division's Draft Resolution served to parties on August 13, 2012, and the related Certificate of Service should be stricken from the record because of various alleged procedural defects to the email and personal service of these documents to Mr. Hasbrouck.

The Declaration included supporting detail to the Motion, including a list of alleged procedural defects to the e-mail and personal service of the Draft Resolution E-4533 and corresponding Service List.

 $^{^{\}rm 7}$ Attachment B: Repeated electronic service of Draft Resolution to Mr. Hasbrouck

 $^{^{\}rm 8}$ Attachment B: Repeated electronic service of Draft Resolution to Mr. Hasbrouck

⁹ Attachment C: The CPUC Mail Room's outgoing document log for items sent by courier

¹⁰ Attachment D: The courier service's record of delivery of the Draft Resolution with Mr. Hasbrouck's signature

In the Discussion section of this document, we shall address the Motion and the supporting Declaration. The Discussion section will explain why the CPUC denies the Motion and maintains that the Draft Resolution E-4533 was adequately served.

The CPUC Rules and GO 96-B do not provide for adoption of a Draft Resolution proffered by a party to a proceeding. The CPUC Rules of Practice and Procedure, Rule 14.1, subdivision (c) provides the definition of a Draft Resolution, which "is a recommended resolution that is proposed by a Commission director." Comments by parties, however, often propose alternate language in response to a Draft Resolution. We shall therefore treat, and refer herein, to Mr. Hasbrouck's Draft Resolution as Comments on the Draft Resolution E-4533.

The Comments by Mr. Hasbrouck recommend various confirmations of Mr. Hasbrouck's rendition of facts and applicable legal standards, and also would direct various professional, civil and legal sanctions against specified CPUC Staff due to such alleged procedural defects. The Discussion section below will address Mr. Hasbrouck's Comments and explain why the CPUC here affirms the Energy Division's Second Disposition of PG&E AL 3278-G/4006-E.

DISCUSSION

This Resolution affirms the Energy Division's Second Disposition, dated May 15, 2012, which approved PG&E AL 3278-G/4006-E as filed. This Resolution finds that Mr. Hasbrouck's contention that the procedure described by PG&E in the Advice Letter for determining customers' intent with respect to their participation in the opt-out program is not authorized by the Decision is incorrect. We find PG&E's Advice Letter to be in compliance with the relevant CPUC orders.

The Energy Division approved PG&E AL 3278-G/4006-E on May 15, and in doing so it rejected Mr. Hasbrouck's protest. The protest by Mr. Hasbrouck of PG&E's Advice Letter was rejected because it failed to satisfy any of the six grounds allowed by GO 96-B for protesting an Advice Letter. Rather, Mr. Hasbrouck's protest to the Advice Letter improperly relied upon policy objections where the

relief requested in the advice letter followed the rules and directions established by the CPUC order applicable to the utility.

As explained below, we affirm Energy Division's disposition of the subject Advice Letter because the processes proposed in the Advice Letter falls within the directions contained in the Decision.

A. Background on Context of SmartMeter Opt-Out Program
Before addressing the specifics of Mr. Hasbrouck's original protest to the Advice
Letter, the overall context involved in the implementation of the opt-out program
is discussed first.

Pursuant to the Decision, PG&E must inform all customers, including those on the "delay list," about the opt-out program. After informing the customers, as a factual matter, PG&E potentially faces four different scenarios in terms of customer reactions to the opt-out information:

- The first scenario includes customers who take PG&E's standard service by default, i.e., the customers do not opt-out and successfully receive a smart meter (or continue to keep their existing smart meter).
- The second scenario includes customers who affirmatively opt-out and receive an analog meter (or retain an existing analog meter).
- The third scenario includes those customers who currently have analog meters and are unresponsive after being informed of the availability of the opt-out option, even after the multiple attempts described by PG&E to obtain an affirmative opt-out decision by the customer. For customers who are unresponsive, PG&E will conduct a field visit to attempt to install a smart meter on the premises. It is presumed that there will be some customers who allow PG&E to successfully install a smart meter during such a field visit by PG&E's installer.
- The fourth scenario deals with a small group of customers who even after steps described in the third scenario above will deny access (either actively or passively) to PG&E, preventing it from installing a smart meter.

It is the procedure that PG&E has identified to handle this fourth scenario of customers that is the subject of Mr. Hasbrouck's protest. For customers in the fourth scenario (where a customer has been informed of his or her ability to opt-

out, has not responded affirmatively with an opt-out selection, and then subsequently denies access to PG&E installers preventing the installation of a smart meter), PG&E proposed in its Advice Letter to deem such customers as having effectively selected the opt-out option. The Decision's Ordering Paragraph 2(b) provided that the utility should "establish procedures," and the Advice Letter conformed to that directive.

B. Background on Mr. Hasbrouck's Request for Review of Industry Division Disposition and Original Protest to the Advice Letter

The Energy Division received a Request for Review of Industry Division disposition dated May 15, 2012. In accordance with General Order 96-B, General Rule 7.7.1, the Energy Division has prepared this Resolution for consideration by the CPUC. Mr. Hasbrouck makes essentially three arguments in his Request for Review of Industry Division Disposition:

- 1) The procedure described by PG&E in the Advice Letter for determining customers' intent with respect to their participation in the opt-out program is not authorized by the Decision;
- 2) PG&E does not have the right of access to the customer premises to install a wireless smart meter for a variety of reasons, including because the utility's traditional access right does not extend to wireless equipment that is part of the smart meter; and
- 3) the Advice Letter is automatically suspended due to procedural errors invalidating the Energy Division disposition, including possible violation of the Public Records Act by the CPUC.

Mr. Hasbrouck's original protest to the Advice Letter disputed certain language in the SmartMeter Opt-Out Program Tariff proposed by PG&E, and raised other issues relating to PG&E's authority regarding smart meter installations. Specifically, Mr. Hasbrouck argues that the proposed procedure by which PG&E deems the intent of certain customers (who do not affirmatively choose the opt-out option and then do not provide PG&E reasonable access to the meter during a visit by PG&E for the purpose of installing a smart meter, i.e., the fourth scenario customers described above) as having effectively selected the opt-out option is inconsistent with D.12-02-04.

Mr. Hasbrouck asserts that "The opt-out program authorized by the CPUC's decision was ... expressly limited to those customers who, as a factual matter, 'do not wish to have a SmartMeter.' And the action authorized by the Decision to be taken in cases where a customer does not affirmatively opt-out was limited to 'scheduling' the customer to 'receive' a SmartMeter." In other words, according to Mr. Hasbrouck, the Decision did not authorize PG&E to proceed to attempt to install a smart meter for these customers who did not respond to the opt-out notification; and further did not authorize PG&E to then infer the intent of those customers who deny access to PG&E to their meters as having effectively selected the opt-out option. Mr. Hasbrouck also in effect argues that PG&E has no right to access meters to install a smart meter, ¹² and thus PG&E has no authority to deem the denial of access by some customers as an exercise of the opt-out option.

C. Discussion of Mr. Hasbrouck's Protest of PG&E's Advice Letter

[The CPUC]...must consider ...the reasons why customers might not be at home when PG&E makes a field visit, might not be authorized to grant access for this purpose, and/or might not grant access for reasons other than that they 'do not wish to have a SmartMeter.'

[...]

To the extent that PG&E proposes to include a requirement for customers to 'provide reasonable access to PG&E to install a SmartMeterTM[sic]' as a criterion of assignment to a particular tariff and/or the assessment of additional fees associated with such a tariff, this requires, ...full consideration of what, if any, provision of access by customers to PG&E for this purpose is 'reasonable', ...

To the extent that PG&E claims that all such customers 'do not wish to have a SmartMeter', that is also a 'material error' of fact and grounds for this protest."

¹¹ Edward Hasbrouck Protest of March 7, 2012, at p. 2.

¹² *Ibid.* at p. 2, "The Commission's decision neither made nor authorized such a conclusive factual inference that any such customers [i.e., those who are non-responsive or prevent access to the meter for replacement with a SmartMeter] 'do not wish to have a SmartMeter' or have 'elected' any particular type of service or tariff. [...]This is a factual question concerning the actual wishes of such customers. To the extent that PG&E claims that all such customers 'do not wish to have a SmartMeter', that is a disputed factual issue ...

The situation Mr. Hasbrouck refers to applies only to the customers in the fourth scenario described in Section A above. Procedurally, it should be noted that if a customer fails to exercise the opt-out option after receiving notices from PG&E regarding its intent to install a smart meter, the non-responsive customer (including those on the smart meter delay list), is subject *by default* to the smart meter deployment *already authorized by earlier CPUC decisions* D.06-07-027¹³ and D.09-03-026.¹⁴ Contrary to Mr. Hasbrouck's contention that PG&E is not authorized to install smart meters for these customers, these earlier CPUC decisions *directed* PG&E to deploy smart meters at all residential customer locations (except as modified by the Decision to exclude only those customers who affirmatively elect the opt-out option). In other words, PG&E is correct to interpret the previous CPUC decisions, together with the Decision, as *requiring* PG&E to install smart meters at the locations of the non-responsive customers.

With respect to PG&E's field visits to a customer site in order to install a smart meter on their premises, we note that the customer is *required* to provide the utility with access to the existing meter for replacement under Rule 16 A.11 of PG&E Electric Rules.¹⁵ Hence, for those non-responsive customers who then

"A. GENERAL [¶] 11. ACCESS TO APPLICANT'S PREMISES. PG&E shall at all times have the right to enter and leave Applicant's Premises for any purpose connected with the furnishing of electric service (meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, etc.) and the exercise of any and all rights secured to it by law, or under PG&E's tariff schedules. These rights include, but are not limited to,

- a. The use of a PG&E-approved locking device, if Applicant desires to prevent unauthorized access to PG&E's facilities;
- b. Safe and ready access for PG&E personnel free from unrestrained animals;
- c. Unobstructed ready access for PG&E's vehicles and equipment to install, remove, repair, or maintain its facilities . . ."

¹³ Final Opinion Authorizing Pacific Gas and Electric Company To Deploy Advanced Metering Infrastructure, issued on July 20, 2006 in Application (A.) 05-06-028, at p. 68, available at http://docs.cpuc.ca.gov/word_pdf/FINAL_DECISION/58362.pdf.

¹⁴ Decision on Pacific Gas and Electric Company's Proposed Upgrade to the SmartMeter Program, issued on March 31, 2009 in A.07-12-009, at p. 195, available at http://docs.cpuc.ca.gov/word_pdf/FINAL_DECISION/98486.pdf.

¹⁵ PG&E Electric Rule 16 regarding Service Extensions reads in part;

deny reasonable access to PG&E to install a smart meter after attempts to reach these customers to obtain an affirmative opt-out election have failed, we find that the procedure proposed by PG&E to deem the actions of such customers as effectively selecting the opt-out option and enrolling them into the opt-out program is reasonable and that PG&E is authorized by the Decision and prior CPUC orders and rules to establish this procedure.

Were it not for the presumption of opt-out as to scenario four customers, PG&E would be entitled to terminate the electric service to a customer if it is prevented from accessing its metering equipment at that customer's site, under Rule 3 regarding Application for Service, ¹⁶ Rule 11 regarding Discontinuance and Restoration of Service, ¹⁷ and Rule 16 (cited previously) regarding Service Extensions. Between the two alternatives that PG&E could have proposed in this Advice Letter to address the fourth scenario of customers, we find that enrolling the unresponsive customer into the opt-out program is a less severe and/or hazardous option for the customer than shutting off their electric service.

Further, PG&E's procedure prevents an unresponsive customer from unfairly benefitting from improperly preventing PG&E access to the utility's equipment.

Available at http://www.pge.com/tariffs/tm2/pdf/ELEC_RULES_16.pdf

¹⁶ PG&E Electric Rule 3 reads in part:

"The application (for electric service) is merely a request for service, and does not in itself bind PG&E to serve except under reasonable conditions, nor does it bind the customer to take service for a longer period than the minimum requirements of the rate. PG&E may disconnect or refuse to provide service to the applicant if the acts of the applicant or the conditions upon the premises..."

Available at http://www.pge.com/tariffs/tm2/pdf/ELEC_RULES_3.pdf

¹⁷PG&E Rule 11 reads in part:

"H. UNSAFE APPARATUS OR CONDITION 1. PG&E may deny or terminate service to the customer immediately and without notice when:

- a. PG&E determines that the premises wiring, or other electrical equipment, or the use of either, is unsafe, or endangers PG&E's service facilities; or
- b. The customer threatens to create a hazardous condition; or..."

Available at http://www.pge.com/tariffs/tm2/pdf/ELEC RULES 11.pdf

Thus, we conclude that PG&E's procedure proposed in the Advice Letter is a reasonable, common-sense implementation of the Decision, along with earlier CPUC smart meter deployment decisions, ¹⁸ and a reasonable solution to the practical situations that could arise. We find PG&E's Advice Letter to be in compliance with the CPUC orders.

This Resolution finds that Mr. Hasbrouck's protest challenging PG&E's right of access to the customer premises to install a wireless smart meter is outside the scope of the Advice Letter.

Any challenge to the utility's right of access required to install wireless smart meters ordered by the CPUC in D.06-07-027 and D.09-03-026 constitutes a policy objection that is not a permissible ground for protesting an Advice Letter, per GO 96-B, General Rule 7.4.2, discussed above. **Mr. Hasbrouck did not request Commission review of those prior orders within the appropriate time period.** We therefore find that Mr. Hasbrouck's protest challenging PG&E's right of access to the customer premises to install a wireless smart meter is outside of the scope of the subject Advice Letter.

This Resolution rejects Mr. Hasbrouck's argument that the Advice Letter is invalid due to procedural errors.

The procedural errors of PG&E's failure to serve its reply to Mr. Hasbrouck's protest and the Energy Division failure to serve the Initial Disposition were cured by service of relevant documents on Mr. Hasbrouck. Specifically, PG&E's failed to serve its reply to Mr. Hasbrouck. Similarly, Energy Division failed to serve its Initial Disposition on Mr. Hasbrouck. However, these errors were cured when the reply was served by the CPUC Legal Division on April 5, 2012. Mr. Hasbrouck was also provided with an appropriate review period for these documents, the same as the one he would have been provided had the errors not occurred. The CPUC rules do not provide Mr. Hasbrouck with a right to reply to PG&E's reply, and so the service error did not *in any way* reduce his opportunity to comment regarding the Advice Letter. Mr. Hasbrouck's request for review of

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¹⁸ D.06-07-027 and D.09-03-026.

the Second Disposition is addressed herein. Mr. Hasbrouck has failed to elucidate any actual harm to himself or his case arising from these procedural defects. Thus, we reject Mr. Hasbrouck's argument.

This Resolution rejects Mr. Hasbrouck's argument that the Advice Letter and/or Energy Division disposition are invalid due to alleged Public Records Act violations.

In his Request for Review of Industry Disposition, Mr. Hasbrouck alleges that potential Public Records Act violations invalidate either the Advice Letter, or the Energy Division disposition, or both¹⁹. These claims are rejected as they are outside the scope of this proceeding and not proper grounds for a protest of an Advice Letter. Any complaints regarding alleged violations of the Public Records Act should be pursued in accord with the processes applicable to that statute.

This Resolution does not make any changes to the Draft Resolution based on Mr. Hasbrouck's Comments on the Draft Resolution. This Resolution denies Mr. Hasbrouck's Motion for lack of factual and legal bases.

Mr. Hasbrouck argues in Comments that the Draft Resolution and the Certificate of Service be "stricken from the CPUC record[.]" His Comments provide draft alternative Resolution language that would direct the CPUC Staff members responsible for the Draft Resolution to be "subjected to appropriate CPUC employee sanctions and reported to appropriate enforcement bodies for investigation of potential legal and ethical violations." Mr. Hasbrouck repeats a reference to a Public Records Act request to release any CPUC records related to distribution of Draft Resolution E-4533. Mr. Hasbrouck claims that no service of the Draft Resolution was effected on August 13, 2012, contrary to the certificate of service, and other similar complaints about the service of the Draft Resolution.

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 $^{^{\}rm 19}$ At p.4 of "Request for Review of Industry Disposition" filed May 26, 2012

²⁰ At p.1 of "Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533"

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Mr. Hasbrouck maintains that "he has not yet been properly served[.]"²¹ Mr. Hasbrouck's Comments suggest the Commission should order CPUC Staff members specifically named should be "censured by the Commission for gross and deliberate malfeasance in carrying out their official duties[.]"22

As noted in Comments/Motion section above, Mr. Hasbrouck filed several documents concurrently, including a Motion to Strike and a Declaration. The Declaration provides information supporting the Motion and Comments. The Motion and the Declaration repeat many of the same argument as the Comments, namely that the service of the Draft Resolution was not effective and the Staff at the CPUC should be subjected to a variety of sanctions.

Because the arguments in the Comments, Motion and the Declaration overlap, the sections below will address the claims across the documents filed by Mr. Hasbrouck.

Mr. Hasbrouck claims that alleged errors in service of the Draft Resolution invalidate this Resolution. We find there was no material deficiency in service of any documents related to the Draft Resolution, and the acknowledged errors in service related to the Reply to the Protest of the Advice Letter were cured.

As discussed further below, various records and Mr. Hasbrouck's own Comments, combined with the CPUC Rules of Practice and Procedure and General Order 96-B (which governs the processes related to tariff changes such as those proposed in the Advice Letter), show no material deficiency in the service of the Draft Resolution or the contents of the Certificate of Service.

Mr. Hasbrouck claims that "it is apparent from the record, from . . . the certificate of service and documents provided to me . . . that no service conforming to CPUC requirements was actually effected, and that the Certificate of Service was itself false in almost every material particular: It misstated what was served,

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²¹ At p.5 of "Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533"

²² At p.6 of "Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533"

when it was served, how it was served, by whom it was served and on whom it was served."²³

Mr. Hasbrouck's own statements demonstrate that he received the email service on August 13th. When the CPUC was notified that Mr. Hasbrouck had difficulty with opening the attachments, the CPUC Staff resent the attachments – first as a Microsoft Word document, then bundled as one scanned PDF that contained all attachments, and then via courier. Having sent the documents to the party on four separate occasions, the CPUC finds that there was no material deficiency in service of any documents related to this Draft Resolution.

Substantial evidence contradicts Mr. Hasbrouck's allegations he uses as a basis for legal analysis supporting his Motion.

Mr. Hasbrouck alleges throughout his filings that the Draft Resolution still has not been properly served to him in a manner required by CPUC rules. The Draft Resolution was served to Mr. Hasbrouck via email on Monday, August 13 by the CPUC Staff. An electronic mail (e-mail) message circulating the Draft Resolution was sent to Mr. Hasbrouck as well as other members of the service list and received by various CPUC Staff on Monday, August 13, 2012 at 8:02 a.m.²⁴ Mr. Hasbrouck's Declaration confirms that he received the initial e-service of the Draft Resolution²⁵ and that two documents were attached to that message.²⁶ The CPUC Staff was notified on August 15th that Mr. Hasbrouck could not read the original attachments of the service. The CPUC Staff then resent the document electronically in two different file formats, first they resent the Microsoft Word document (two document as ".doc" were attached) and then they resent a scanned PDF document (one document as ".pdf") was attached. The CPUC Staff also promptly served the party via courier. The Commission's GO 96-B, Section 4.4 requires that alternative service be provided immediately whenever the

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²³ Motion to Strike Certificate of Service and Draft Resolution E-4533 at p.2

²⁴ See Attachment A: Original Service of the Draft Resolution

²⁵ Declaration at p. 2, paragraph 5 "On 13 August 2012 I received an e-mail message from [CPUC Staff] with the subject line, "Draft Resolution E-4533 (Re:PG&E Advice Letter 3278-G/4006-E)"."

²⁶ *Ibid.* at p.2, paragraph 6 "This e-mail message had two attachments."

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serving party (in this case the CPUC) receives notification that service by Internet is unsuccessful.27

Mr. Hasbrouck is incorrect that the CPUC is required to serve parties Draft Resolutions in PDF format. Mr. Hasbrouck has failed to show that use of a Microsoft Word document as an attachment is an improper form of service.

Mr. Hasbrouck asserted in his August 15 reply to the e-service message that the CPUC Rules of Practice and Procedure (Rules), Rule 1.13 require service of documents to parties in PDF format. Mr. Hasbrouck is correct that Rule 1.13, subdivision (b)(i) requires that documents filed at the CPUC by parties must be "transmitted in PDF Archive format (PDF/A)." Rule 1.10, however, is the rule that covers acceptable methods of official service to parties in a proceeding by email, and not Rule 1.13.

Mr. Hasbrouck claims that he did not consent to service of e-mail in formats other than PDF. Rule 1.10, subdivision (a) states, "By providing an electronic mail (e-mail address for the official service list in a proceeding, a person consents to e-mail service of documents in the proceeding..." E-mail service may be effected by "sending the document . . . as an attachment to an e-mail message to all e-mail addresses shown on the official service list on the date of service."

Mr. Hasbrouck states in his Declaration at paragraph 7, "I assumed that any draft resolution proposed in response to my request for review . . . would be served either by e-mail in PDF format, identified by file type, . . . or by hand delivery" He therefore "assumed that whatever the intended (and to me unknown) content of the e-mail message I received . . . on 13 August 2012, it could not be

²⁷ GO 96-B, Rule 4.4 states in relevant part: "For purposes of these rules, any person may accept service by Internet. A person indicates acceptance of such service by providing an e-mail address along with a postal address to the utility, Industry Division, or third party serving a document on the person. Notwithstanding such acceptance, the utility, Industry Division, or third party shall make alternative service (including service by first-class mail, personal delivery, or facsimile transmission) immediately whenever the serving party receives notification that service by Internet is unsuccessful."

intended to constitute formal service of anything." ²⁸ This assumption is incorrect. Various types of files may be served as long as they meet these criteria listed in Rule 1.10.: "Documents must be in readable, downloadable, printable, and searchable formats, unless use of such formats is infeasible." ²⁹ Mr. Hasbrouck has submitted no evidence that Microsoft Word documents are not readable, downloadable, printable or searchable. In any case, to accommodate the issue that Mr. Hasbrouck was having with opening the document, he was resent the same documents that were received by in a PDF format per his request.

Mr. Hasbrouck has failed to show that he has not been allowed the required 30 day review period for this Resolution.

The CPUC Staff re-served the Draft Resolution immediately after being informed that Mr. Hasbrouck had issues with the initial e-service. The CPUC Staff sent Mr. Hasbrouck the same Draft Resolution in various formats starting just over two hours after being informed of Mr. Hasbrouck's objection to the service of a Word document (See Attachment B). Rule 1.10, subdivision (c) provides,

"By utilizing e-mail service, the serving person agrees, in the event of failure of e-mail service, to re-serve the document, no later than the business day after the business day on which notice of the failure of e-mail service is received by the serving party, by any means authorized by these rules, provided that e-mail service may be used for re-service only if (1) the receiving person consents to the use of e-mail service"

Mr. Hasbrouck confirms that he received a PDF format version of the Draft Resolution by e-mail on August 15, and was able to read its contents:

"I responded to [CPUC Staff]: 'I was able to open a single attachment in PDF format to your latest message. The document attached to your latest message appears to consist of a cover letter (1 page), a certificate of service (2 pages), and a draft resolution (12 pages). The letter (p. 1 of the PDF) states that,

²⁹ Rule 1.10, subdivision (c).

²⁸ *Ibid* at p. 2, paragraph 7.

"Th[ose] submitting comments must serve a copy of their comments on 1) the entire service list attached to the draft resolution, 2) all Commissioners, 3) the General Counsel, and 4) the Director of the Energy Division..."" 30

Mr. Hasbrouck thus admits that he received actual service of the Draft Resolution in PDF format on August 15. More than 30 days for review of this Draft Resolution have passed since August 15, contrary to his claim. ³¹

Mr. Hasbrouck's claim that delivery by courier is not a valid form of service is not supported by Commission rules or orders. The CPUC Staff was not required to personally deliver the Draft Resolution and related documents to parties; delivery by courier may constitute effective service.

Whenever a serving party receives notice that service by Internet is unsuccessful, GO 96-B, General Rule 4.4 allows for alternate service, including re-service by email, mail or service by personal delivery. The CPUC Staff re-served the Draft Resolution and all related documents to Mr. Hasbrouck, including the complete service list, by overnight courier.³² Mr. Hasbrouck's signature appears on the courier's August 17 record of delivery of the Draft Resolution and related documents³³. Again, service on this date has allowed Mr. Hasbrouck more than 30 days to review the documents.

Service by Mail is permitted under California State Code of Civil Procedure under Section 1013³⁴ and it specifically provides for service by Express Mail or

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³⁰ *Ibid.* at p.3, paragraph 13.

³¹ Public Utilities Code, Section 311, subdivision (g)(1) requires that a draft resolution must be served on parties and subject to at least 30 days of public review and comment prior to a vote by the Commission.

³² Attachment C: The CPUC Mail Room's outgoing document log for items sent by courier. Attachment D: The courier service's record of delivery of the Draft Resolution with Mr. Hasbrouck's signature.

³³ Attachment D: The courier service's record of delivery of the Draft Resolution with Mr. Hasbrouck's signature.

The California State Code of Civil Procedure can be found here: http://www.leginfo.ca.gov/cgibin/displaycode?section=ccp&group=01001-02000&file=1010-1020

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another means of overnight delivery. The CPUC mail service by courier was compliant with the California State Code of Civil Procedure cited above, including having proof of date and place of deposit.³⁵

In addition, Mr. Hasbrouck claims that the personal delivery of the Draft Resolution and related documents was ineffective because it was delivered by a courier rather than by the CPUC Staff. ³⁶ While it is interesting to imagine a world in which the CPUC could provide every party who participated in CPUC proceedings with hand delivery by the CPUC Staff of all official communications wherever in the world they may choose to receive service, this vision is neither required by the CPUC rules³⁷ nor is it practically feasible given limited staff and travel funding resources.

By Mr. Hasbrouck's own actions, i.e., his submission of timely Comments on the Draft Resolution, he demonstrates that his receipt of the documents did not materially impact his ability to review the Draft Resolution.

A continuing theme in Mr. Hasbrouck's Motion and Comments is that alleged procedural defects require the reversal of the Energy Division's disposition of PG&E's Advice Letter 3278-G/4004-E and/or the Draft Resolution. For example, he states that e-service of the Draft Resolution was defective because it did not

³⁵ The California State Code of Civil Procedure, Section 1013 reads in part "The copy of the notice or other paper served by Express Mail or another means of delivery providing for overnight delivery pursuant to this chapter shall bear a notation of the date and place of deposit..."

³⁶ Declaration at p.6, paragraph 21 states in part: "I was not served by mail but by a courier for a private delivery service. (3) I was not served by [Commission staff] but by a courier. The courier did not identify himself to me by name, but since service was not accomplished by an employee of the US Postal Service . . . the courier is the only person who could sign a valid certificate of service. Handing something to a private messenger does not constitute 'service'." .

³⁷ Indeed, Rule 1.9(c) provides, in part: "Service of a document may be effected by personally delivering a copy of the document to the person or leaving it in a place where the person may reasonably be expected to obtain actual and timely receipt, mailing a copy of the document by first-class mail or electronically mailing the document . . ." The authorization of service by first class mail makes it clear that service need not be by Commission staff. In any event, the portion of the rule authorizing the document to be left "in a place where the person may reasonably be expected to obtain actual and timely receipt" was complied with.

contain a service list.³⁸ The original e-mail serving the Draft Resolution did, however, included the e-mail addresses of those parties who had provided e-mail addresses in the "To" section of the heading of the e-mail. Nonetheless, California Public Utilities Code, Section 1701, subdivision (b) provides that "no informality in any hearing, investigation . . . shall invalidate any order, decision or rule . . . confirmed by the Commission."

By approving this Resolution, the CPUC confirms the effectiveness of service of the Energy Division's Draft Resolution because we find no material defects in the service of the Draft Resolution to Mr. Hasbrouck. Therefore, because there is no other factual or legal basis for his Motion to Strike, it is denied.

FINDINGS AND CONCLUSIONS

- 1. D.12-02-14 directed PG&E to file a Tier 1 Advice Letter to establish procedures to implement a smart meter opt-out option for customers who do not wish to have a wireless smart meter, and to establish a SmartMeter Opt-Out Tariff with the CPUC specified opt-out fees.
- 2. PG&E filed a Tier 1 Advice Letter 3278-G/4006-E containing proposed opt-out procedures and two new rate schedules that allow residential electric and gas smart meter opt-out.
- 3. Mr. Edward Hasbrouck filed a timely protest to the Advice Letter on March 7, 2012.
- 4. The protest does not include any legal basis for his contention that the Advice Letter does not comply with or exceeds the scope of the Decision and prior CPUC orders and/or rules. The protest also fails to satisfy any of the other grounds allowed by GO 96-B for protesting an Advice Letter.

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³⁸ Declaration at pp.3-4, paragraph 13.

- 5. Mr. Hasbrouck's contention that the procedure described by PG&E in the Advice Letter for determining customers' intent with respect to their participation in the opt-out program is not authorized by the Decision is incorrect.
- 6. Mr. Hasbrouck's protest challenging PG&E's right of access to the customer premises to install a wireless smart meter is outside the scope of the Advice Letter. Mr. Hasbrouck did not request Commission review of D.06-07-027 and D.09-03-026 within the appropriate time period.
- 7. The procedure proposed by PG&E to deem the actions for customers repeatedly preventing installation of a smart meter as effectively selecting the opt-out option is reasonable. PG&E's enrolling those customers into the opt-out program is reasonable, and PG&E is authorized by the Decision and prior CPUC orders and rules to establish this procedure.
- 8. Enrolling the unresponsive customer into the opt-out program is a less severe and/or hazardous option for the customer than shutting off their electric service.
- 9. The CPUC's acknowledged errors in service related to the Reply to the Protest of the Advice Letter and First Disposition were cured prior to the issuance of Energy Division's Second Disposition.
- 10. PG&E's Advice Letter is in compliance with the applicable CPUC orders.
- 11. Mr. Hasbrouck's argument that the Advice Letter or Second Disposition is invalid due to procedural errors is incorrect.
- 12. Mr. Hasbrouck's argument that the Advice Letter and/or Energy Division disposition are invalid due to alleged Public Records Act violations is incorrect.

- 13. Mr. Hasbrouck received e-service of the Draft Resolution and related documents on August 13, 2012 in a format that is readable, downloadable, printable, and searchable. He was effectively re-served with a Microsoft Word and PDF versions of the Draft Resolution on August 15, 2012. He was again effectively served by courier with hard copied of the Draft Resolution and related documents on August 17, 2012.
- 14. More than 30 days have passed since each of these instances of service of the Draft Resolution and the vote on this final Resolution.
- 15. Service of the Draft Resolution and related documents to Mr. Hasbrouck was not materially defective.
- 16. Mr. Hasbrouck's own actions, i.e., his submission of timely Comments on the Draft Resolution, demonstrate that his receipt of the documents did not materially impact his ability to review the Draft Resolution.
- 17. Mr. Hasbrouck filed four documents on September 5, 2012. These documents are:
 - Motion to Strike Certificate of Service and Draft Resolution E-4533;
 Commission review of Energy Division action on PG&E Advice Letter 3278-G/4006-E [Motion]
 - Declaration of Edward Hasbrouck in Support of Motion to Strike Certificate of Service and Draft Resolution E-4533 [Declaration]
 - Draft Resolution: Resolution to Strike Certificate of Service and Draft Resolution E-4533 [Draft Resolution]
 - Certificate of Service
- 18. CPUC Rules and GO 96-B do not provide for adoption of a Draft Resolution proffered by a party to a proceeding. Therefore, Mr. Hasbrouck's Draft Resolution was treated as Comments on the Draft Resolution E-4533.
- 19. Service by Mail is permitted under California State Code of Civil Procedure under Section 1013 and it specifically provides for service by Express Mail or

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- another means of overnight delivery. Hand delivery by CPUC staff is not required for effective service.
- 20. Any non-material deficiencies regarding the service of the Draft Resolution do not warrant striking the Draft Resolution or the Certificate of Service from the record or invalidate any related order, decision or rule of the Commission regarding the subject Advice Letter.
- 21. PG&E's AL 3278-G/4006-E complies with the Decision as filed on February 16, 2012.

THEREFORE, IT IS ORDERED THAT:

- 1. The Energy Division disposition letter regarding the Advice Letter dated May 15, 2012 is affirmed.
- 2. PG&E Advice Letter 3278-G/4006-E remains in effect, with an effective date of February 16, 2012.
- 3. The CPUC confirms the effectiveness of the repeated service of the Draft Resolution and related documents to Mr. Hasbrouck.
- 4. Mr. Hasbrouck's Motion is denied.
- 5. This Resolution is effective today.

I hereby certify that the Public Utilities Commission adopted this Resolution at its regular meeting on November 8, 2012. The following Commissioners voting favorably thereon:

PAUL CLANON
Executive Director

Attachment A: Original Service of the Draft Resolution

From:

Salinas, Maria

Sent:

Monday, August 13, 2012 4:18 PM

To:

'info@eon3.net'; 'Martinot4@gmail.com'; 'SDPatrick@SempraUtilities.com';

'contact@thepeoplesinitiative.org'; 'Sharon.yang@sce.com';

'ATrial@SempraUtilities.com'; 'kmalcolm@ucan.org'; 'info.scwssm@gmail.com'; 'melissalevine@cox.net'; 'marinameadows@comcast.net'; Thomas, Sarah R.;

'mail@jeromyjohnson.com'; 'marcel@turn.org'; 'CJW5@pge.com'; 'whb@a-klaw.com'; 'Edward@Hasbrouck.org'; 'service@cforat.org'; 'jim@tobinlaw.us'; 'abinik@comcast.net';

'dbrentals@aol.com'; 'jweil@aglet.org'; 'DavidLWilner@aol.com'; 'susan.upchurch@sonoma-county.org'; 'lloydg@co.lake.ca.us';

'martinhomec@gmail.com'; 'emfsafe@sonic.net'; 'andrew.weisel@macquarie.com';

'brbarkovich@earthlink.net'; 'BWT4@pge.com'; 'cin3@pge.com';

'GHealy@SempraUtilities.com'; 'klatt@energyattorney.com'; 'KAF4@pge.com';

'kxhy@pge.com'; 'LLeiterman@roadrunner.com'; 'shp1@pge.com';

'mrv@mrwassoc.com'; 'winifredhasmail@yahoo.com'; 'case.admin@sce.com';

'janet.combs@sce.com'; 'director@electrosmogprevention.org'; 'csnyder@semprautilities.com'; 'art@ucan.org'; 'grappap@gmail.com';

'RGiles@semprautilities.com'; 'CentralFiles@SempraUtilities.com'; 'PatiTo12@att.net';
'vanessav@ci.salinas.ca.us'; 'michael.hetherington@usa.net'; 'william.sanders@sfgov.org';

'jcdt@pge.com'; 'filings@a-klaw.com'; 'm2ld@pge.com'; 'nes@a-klaw.com'; 'cem@newsdata.com'; 'lisa_weinzimer@platts.com'; 'CJGF@pge.com';

'RegRelCpucCases@pge.com'; 'service@spurr.org'; 'Jim.Schutz@CityOfSanRafael.org';

'august@tobinlaw.us'; 'joe@tobinlaw.us'; 'healthhab@igc.org'; 'susan.upchurch@sonoma-county.org'; 'caleagle@sbcglobal.net';

'davehubert@gmail.com'; 'jeff@jbsenergy.com'; 'cmkehrein@ems-ca.com'; 'rvn@a-klaw.com'; Dorman, Elizabeth; Gupta, Aloke; Yip-Kikugawa, Amy C.; Kotch, Andrew; Chan, Cherie; Chow, Christopher; Villarreal, Christopher; Malashenko, Elizaveta I.; Zafar,

Marzia; Sukhov, Michael; Mutialu, Rajan; Roberts, Thomas; Zhang, Zhen

Cc:

'Edward@hasbrouck.org'

Subject:

Draft Resolution E-4533 (Re:PG&E Advice Letter 3278-G/4006-E)

Attachments:

Cover letter E-4533.doc; CPUC01-#587096-v2-E-4533_Draft_Comment_Resolution.DOC

PG&E AL 3278-G/4006-E/je5

Attachment B: Repeated electronic service of Draft Resolution to Mr. Hasbrouck

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----Original Message----
From: Salinas, Maria
Sent: Wednesday, August 15, 2012 10:06 AM
To: 'Edward Hasbrouck'
Subject: RE: praft Resolution E-4533 (Re:PG&E Advice Letter 3278-G/4006-E)
PIS let me know if you still can't open the attachments... There is still another way of sending them to you and you don't need to cc the rest of the service list. You can just email me directly.
Maria
EDTariffUnit
Subject: Re: Draft Resolution E-4533 (Re:PG&E Advice Letter 3278-G/4006-E)
Dear Ms. Salinas:
I received an e-mail message from you this Monday with the subject line "Draft
Resolution E-4533 (Re:PG&E Acvice Letter 1278-G/4006-E)
However, the body of the message contained no text. The message included two attachments, but they appear to be in the proprietary Microsoft Office ".doc
                                                 Page I
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Attachment C: The CPUC Mail Room's outgoing document log for items sent by courier

	LA
	107613758
	K WANTONG
	LA
pt-	107613760
2 He	P GANN LATTI
	LA
	107613594
m/R	_ (A-
	306512286
	778
	306512233
	1 180
971	306502041
8/15	
Moria Salinas	Mr. FAlice All I
1 - 2 - 2 - 1 - 1 - 2 - 1 - 1 - 2 - 1 - 1	Mr. Edward Hasbrouch
Robert Lee	107613740
	Y 5013.7710
Jhon hart	Younne wilson
	107780320
ZEDAMA	
(64.50.50)	†

Attachment D: The courier service's record of delivery of the Draft Resolution with Mr. Hasbrouck's signature

